BRITISH COLUMBIA FACTS AND STATISTICS

Province of British Columbia
Ministry of Economic Development

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Ministry of Economic Development
The Honourable Grace M. McCarthy, Minister

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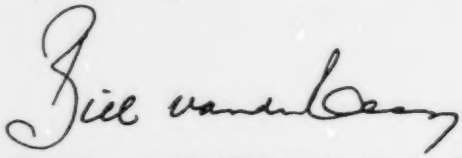
PREMIER'S MESSAGE

All you could want to know about British Columbia is set out in this collection of facts and statistics about Canada's Pacific province.

There is a wealth of information here about us: from our heritage and economy to profiles of our land and climate, our infrastructure, industries and people. It's all put together to show that in British Columbia we have the resources, the people and the economic strength to appeal to investors and business people from around the world.

A new initiative by my government seeks to encourage regional economic development. If you're seeking excellent new opportunities in tourism, small business or resource development, we can help you identify the region that best suits your enterprise.

I'm sure you'll find the information contained in this book useful. After you've read it, I'm sure you'll agree with me and many, many others who say, "B.C. is good for business!"



The Honourable William N. Vander Zalm
Premier of British Columbia

A MESSAGE FROM THE MINISTER

Don't judge this book by its cover.

At first glance, a publication with as technical a name as *British Columbia Facts and Statistics* might seem intended only for economists, accountants, statisticians or trivia buffs.

Yet, for anyone wanting to know more about British Columbia, its people, geography, and economy, this brochure offers some unique insights into Canada's Pacific province. Not the least of these is our strategy to build a "new economy", one highlighted by economic diversity, leading edge technology and expanded exports.

From coastline to cargo, education to external trade, British Columbia is the proud owner of some very impressive facts and statistics. As a result, whether you're a business visitor, tourist, student, or even a British Columbian who wants to know more about your home province, *British Columbia Facts and Statistics* can help.

And, if you would like even more specific information about any of the items we've touched on, please write us at the Ministry of Economic Development, British Columbia Enterprise Centre, 750 Pacific Boulevard South, Vancouver, British Columbia, V6B 5E7; telephone 660-3900 or toll free in B.C. 1-800-972-2255.

What's more, we would be very pleased to introduce you to the men, women, and businesses who are building our "new economy"; individuals who give the facts and figures a whole new look.

The Honourable Grace McCarthy
Minister of Economic Development

FOREWORD

This publication is made available by the Ministry of Economic Development.

We suggest the reader use this booklet only for general information, and refer to other publications of this and other ministries for more specific or more detailed analysis of any subject. To obtain a list of other publications available through this ministry, please contact the Ministry at either of the following locations:

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ECONOMIC HISTORY

The Province of British Columbia entered into Confederation with Canada on July 20, 1871. It has had an exciting and fascinating economic history and has before it a dynamic, rewarding economic future.

British Columbia has a land and water area of 948,596 square kilometres. It is approximately 1,450 kilometres (900 miles) long and averages 640 kilometres (400 miles) across. It extends from the 49th parallel on the south (with an additional dip south to encompass all of Vancouver Island) to the 60th parallel on the north, and from the Pacific Ocean and the Alaska Panhandle on the west to Alberta's western boundary on the east. The Yukon and Northwest Territories are its northern neighbours and the American States of Washington, Idaho, and Montana, its southern neighbours.

European contact with the land that is now British Columbia began in 1774 when a Spanish sailing ship commanded by Juan Perez anchored south of Nootka Sound. The early explorers traded with the native Indian people who had lived for many centuries along the coast and the main western rivers. The abundant wealth which the Indians obtained from their surroundings provided the basis for a vigorous and complex native culture.

The extended visit by Captain James Cook to Nootka Sound in 1778 established Britain's interest in the region. The visit set the stage for the fur trade which flourished until the middle of the 19th century. Captain John Meares established a trading post at Nootka in 1877, loading a vessel with furs and a deckload of spars for shipment to China. This represented the first reported trade in timber from British Columbia.

Fur traders of the North West Company explored the interior of the province; Alexander Mackenzie, Simon Fraser, and David Thompson each explored different routes from British North America to the sea. Alexander Mackenzie reached the Pacific Ocean at Bella Coola in 1793. Simon Fraser established a trading post at Fort McLeod in 1805. Fraser also founded Fort St. James on Stuart Lake and Fort George at the confluence of the Nechako and Fraser Rivers in 1806 and 1807 respectively. All were established in the name of the North West Company.

The North West Company and the Hudson's Bay Company amalgamated in 1821. In 1843 the Hudson's Bay Company established Fort Victoria as its western depot, in anticipation of the loss of its then current western depot at Vancouver, Washington. In 1846 the Oregon Treaty established the United States-British Columbia border at the 49th parallel, two hundred miles to the north of the lower Columbia River. The Hudson's Bay Company established the first mechanized sawmill in British Columbia near Victoria in 1848. The British Crown Colony of Vancouver Island was formed in 1849.

The discovery of gold on the Fraser River in 1858 attracted thousands of people to the area and Victoria, as the supply centre, was suddenly transformed from a trading post to a city. New Westminster, Hope, and Yale also came into prominence as a result of the gold rush. The discovery of gold on the Fraser River also caused the Crown to extend its jurisdiction to the mainland. The colony of British Columbia, an amalgamation of Vancouver Island with the mainland, was formed in 1866. The brief economic boom during the gold rush years did not provide a firm base for continued rapid growth. The lack of immigrants, capital, and markets made the prospect of a rail link to the east attractive, and in 1871, with the promise of an all-Canadian railway, British Columbia joined Confederation.

Major utilization of forest resources started after the completion of the Canadian Pacific Railway in 1886 and expanded in accordance with market conditions as transportation systems improved. Pulp production began in 1909, although 1912 is considered the birthdate of the industry when three new plants went into production and newsprint production was started at Powell River. Fraser Mills near New Westminster produced the first plywood in British Columbia in 1913. Coastal sawmills exported lumber to world markets while Interior sawmills found their first important market in the Prairie settlement boom prior to World War I. Pulp and paper mills, producing sulphite pulp and newsprint, were built at sites offering abundant soft water, energy and wood supplies. The rapid expansion of demand for paper products, associated with changed packaging techniques in the postwar period, shifted the emphasis to "kraft" or sulphate pulp. Completion of the Panama Canal in 1914 opened new markets in Europe, giving further impetus to the establishment and expansion of pulp, paper, and lumber mills, fish packing plants, fruit and vegetable canneries, and smelters, plus expansion of port facilities to handle the export of grain from the Prairies. Population growth also accelerated as the railroad encouraged greater migration of settlers to British Columbia.

Economic activity in British Columbia increased

as a result of World War II, during which base metals and forest products were in strong demand. Construction of the Alaska Highway by the Americans during the war and later track extensions, modernization of equipment, and improved services of the Pacific Great Eastern Railway (now British Columbia Railway) proved of great benefit in opening up the northern and central sections of the province.

Strong world demand for the products of British Columbia's resource-based industries brought tremendous economic growth following the war. Improved technology in all phases of the forest industry has increased utilization of the province's forest resources while also increasing efficiency and productivity. This has permitted the development of large integrated forestry complexes, not only in the coastal areas but also in the Interior.

Mining activity began with the working of Vancouver Island coal deposits in the 1840s but placer gold attracted the most attention in the early period. Production of lode gold and copper then overshadowed other minerals until the 1920s when the huge Sullivan lead-zinc mine at Kimberley came into full production. In the 1960s the emphasis again shifted to copper as new markets and technology permitted the development of large, low-grade, open-pit mines. Commercial production of gas and oil in the Peace River District began with completion of the main gas and oil pipe-lines in 1957 and 1961 respectively. The coal mining industry was reactivated in the late 1960s when Japanese steelmakers began purchasing large quantities of coking coal from British Columbia mines.

The fishing industry has also been important throughout the economic history of the province. Salmon canning began in 1870 on the Fraser River, spreading quickly northwards. Canning made possible the marketing of salmon in distant places. In the 1960s and 1970s some canning activity was displaced as freezing technology became prominent and operations became more centralized in Vancouver and Prince Rupert. The 1970s also saw the emergence of a major roe herring fishery in the province's coastal waters.

Fur traders introduced agriculture to British Columbia in the first quarter of the nineteenth century in order to reduce their dependence on distant and costly sources of foodstuffs. Crops of grain, vegetables and fruits were raised and dairy cattle and horses were kept at many trading outposts. Demand for agricultural products increased considerably with the influx of goldseekers. Commercial farming and Interior cattle ranching began during the mining booms. Activity expanded with the settlement of lands opened by the coming of the railways. Irrigation schemes in the Okanagan and Kootenays and land reclamation programs in the Lower Fraser Valley and at Creston provided rich new productive capacity. Grain and seed crops began to be cultivated in the Peace River region after the turn of the century. Specialized agricultural production in various regions of the province has been largely determined by climatic conditions and proximity to markets.

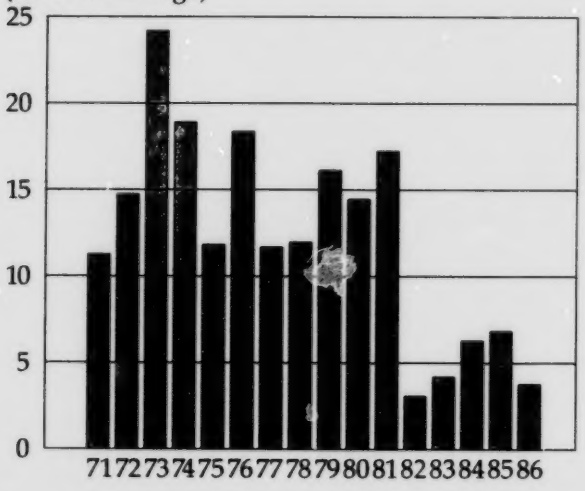
Manufacturing in British Columbia is mainly resource-oriented. However, an increasing range of products is produced locally and the smaller industry groups make an important contribution to the economy. Wood products remain the largest manufacturing group in the province, although recently the industry has not matched the growth rates of other types of manufacturing activity such as primary metals, metal fabricating, machinery, plastics, chemicals and electrical and electronic products. The industrial base is becoming more sophisticated and diversified. The industrial sector will, however, continue to be resource-oriented since British Columbia has an abundance of natural resources, much of which remains to be developed.

The United States and United Kingdom constituted the two major markets for British Columbia products until 1967 when Japan replaced the United Kingdom as the second most important trading partner. In recent years, other Pacific Rim countries, with approximately half of the world's population, have become important trading partners and represent a high proportion of the current and potential trading volume through British Columbia ports. Recent major port developments in the Prince Rupert and Vancouver areas, backed up by continuing rail and road improvements and an increasing industrial capability will further enhance the province's ability to serve future world markets.

THE BRITISH COLUMBIA ECONOMY 1971-1986

The economy of British Columbia over the last decade-and-a-half has been characterized by the dramatic swings of expansion and contraction which are so prevalent in economies highly dependent upon natural resources and world markets. During the 1970s, British Columbia benefitted from the rapid rise in commodity prices, particularly in forest products, metals and energy, and from the rise in world trade with the result that the Province experienced unprecedented levels of exports, investment and consumer demand. From 1971 to 1981 total production or Gross Domestic Product (GDP) increased more than fourfold in dollar terms. Adjusting for the effects of inflation, the real growth in GDP was over 60 percent during this period, or on average almost 5 percent per year. Only in 1975 did real growth in the Province actually decline.

Gross Domestic Product
(Percent Change)



Note: in current dollars at market prices

The world recession of 1982 was particularly hard on the B.C. economy. Just as rising commodity prices fuelled B.C.'s economy in the 1970s, plunging prices for our natural resources and depressed world demand led to curtailed economic activity in 1982 and 1983 and into 1984. As export earnings declined, corporate profits shrank. Uneconomic mines and mills were forced to close and corporate plans for new investment were shelved. Investment by businesses in non-residential structures and machinery and equipment was 25 percent lower in 1985 than in 1981.

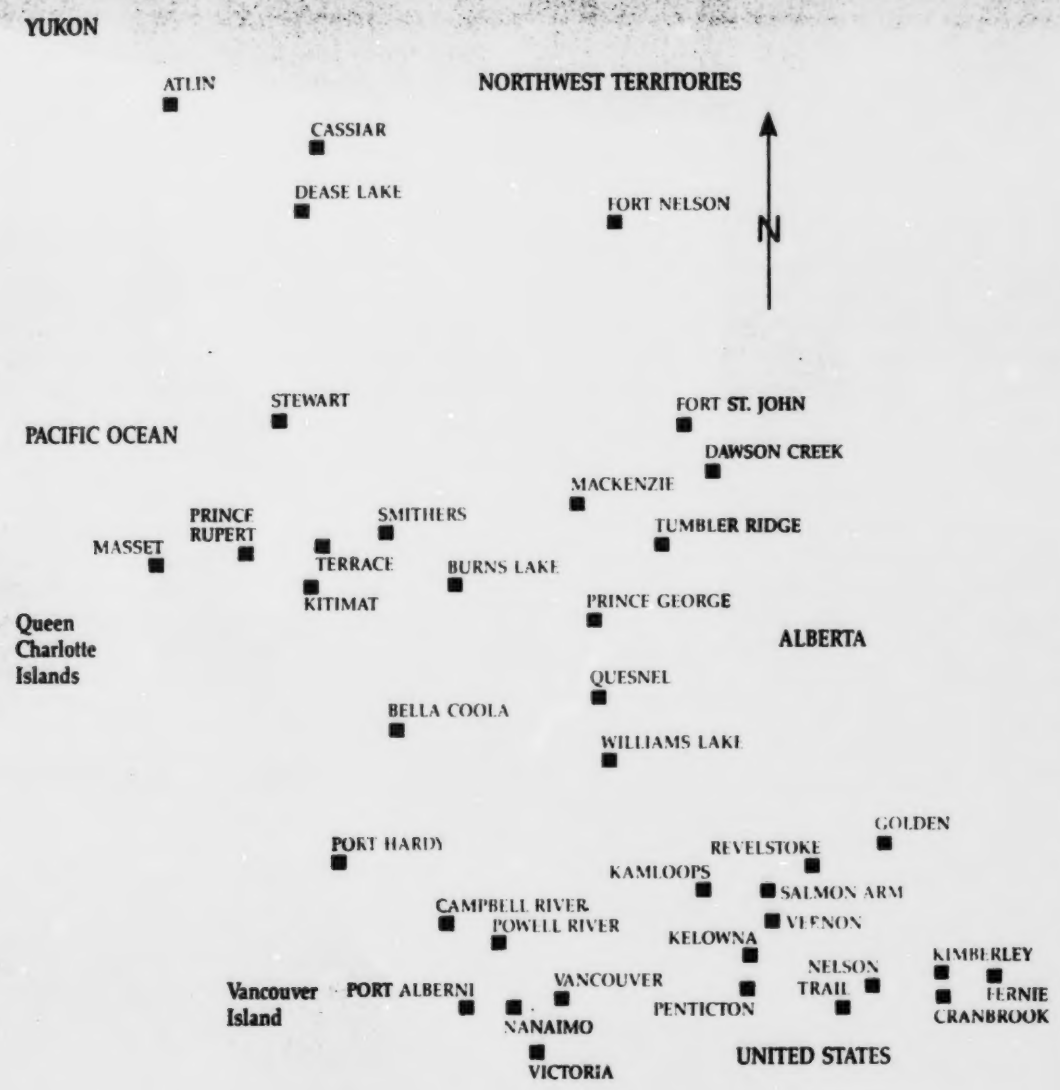
Since 1984 the Province has experienced steady, if somewhat constrained, economic growth. Buoyed by the construction of Expo 86 and by cautious strengthening of resource prices, real growth in the Province increased by some 3 percent in 1985. Despite Expo 86, real growth weakened somewhat in 1986 due to the protracted forestry strike. Indications are that 1987 was a year of moderately strong real growth.

The period since 1971 has also witnessed major changes in the industrial structure of British Columbia. The most notable of these is perhaps our greater dependency on the service sector. As summarized in the following table, the service-producing sectors have increased their share of the economy from 62.2 percent in 1971 to 69.2 percent in 1985. Leading this change has been the Finance, Insurance and Real Estate (FIRE) industries. Community, Business and Personal Services (CBPS) which includes the Health and Education, tourism-related Accommodation and Restaurants, and the fast-growing Management Services sectors, has also increased its relative importance.

Despite this trend toward services, the Province still remains more heavily dependent on resource extraction and resource processing than most other jurisdictions in Canada. However, as the Province expands its industrial base into the areas of electronics and high-technology equipment and as the tourism-based sectors provide growing opportunities for British Columbians, this dependency will continue to fall.

British Columbia Gross Domestic Product at Factor Cost

Activity	1971		1985	
	($ Millions)	% of GDP	($ Millions)	% of GDP
Agriculture and Fishing/Trapping	157	1.7	894	1.8
Forestry	343	3.8	1,129	2.3
Mining	251	2.8	1,734	3.6
Manufacturing	1,587	17.4	6,427	13.3
Construction	875	9.6	3,190	6.6
Utilities	227	2.5	1,561	3.2
Total Goods Producing	**3,440**	**37.8**	**14,935**	**30.8**
Transportation and Storage	698	7.7	3,333	6.9
Communication	270	3.0	1,394	2.9
Trade	1,135	12.5	6,693	13.8
Finance, Insurance and Real Estate	1,196	13.1	8,450	17.4
Education	482	5.3	2,433	5.0
Hospital and Welfare	287	3.2	1,952	4.0
Other Community Business and Personal Services	1,018	11.2	6,172	12.7
Public Administration and Defence	576	6.3	3,093	6.4
Total Service Producing	**5,661**	**62.2**	**33,518**	**69.2**
GDP at Factor Cost	9,100	100.0	48,453	100.0



British Columbia

■ Selected Communities

SCALE

0 100 200

Kilometres

REGIONAL OVERVIEW

VANCOUVER ISLAND/COAST REGION

This region comprises all of Vancouver Island, numerous smaller islands and a section of the mainland which, with the exception of Powell River, is remote and sparsely inhabited. Apart from a narrow coastal plain extending along the east coast of Vancouver Island, where the population is concentrated, rugged mountains predominate. The region covers 9.8 per cent of the total land area of the province and accounts for 18.6 percent of the population. Administratively it includes eight Regional Districts.

The region is second only to the Lower Mainland/Southwest in terms of both population and economic activity. Just over half of the population is concentrated in the Capital Regional District, which is dominated by Victoria, the provincial capital and a major trade, tourism and administration centre. Elsewhere the primary industries provide the main economic support with the forestry sector in the leading role. There are six pulp and paper mills on Vancouver Island and one on the mainland; logging and sawmilling activity is widespread. Farming, fishing and mining (at Campbell River, Port Hardy and Texada Island) are well represented. Tourism and the retirement industry contribute greatly to economic activity, particularly in the southern part of the region.

LOWER MAINLAND/SOUTHWEST REGION

Six Regional Districts comprise the smallest of the Development Regions with only 4.2 percent of the province's land area, but it is by far the most populous with 54.2 percent of the British Columbia population. The region consists of the flat lower Fraser Valley, associated uplands and the mountains that border them. It also encompasses part of the adjacent mainland coast connected to Vancouver by the coastal ferry system, as well as the Squamish and Lillooet River valleys which link through Anderson and Seton Lakes to Lillooet.

The Lower Mainland region is the leading centre for virtually every activity in the province, from farming and fishing to manufacturing to services. Only the mining sector is poorly represented. Beyond the urban concentration of Greater Vancouver and its expanding suburbs, the resource industries are of greatest importance. As the financial, educational, manufacturing, tourism, transportation and cultural centre of the province the region benefits from all developments within its hinterland, which in many respects means all of western Canada.

OKANAGAN REGION

Five Regional Districts covering the Okanagan, Similkameen and North Thompson valleys, as well as the Trans Canada Highway-C.P. Rail corridor from the Alberta boundary to the Fraser Canyon at Lytton, comprise this region. It contains 10.8 percent of the Provincial land area and 11.9 percent of the population. Manufacturing, tourism and transportation services broaden the regional economy but mining, forestry and agriculture remain the primary industry supports. The Okanagan Valley contains most of the province's orchards and vineyards while much of the western and northern sections, part of the Interior Plateau, are prime cattle range. Forest industry activity is widespread but the only pulp mill is located at Kamloops. The Highland Valley area, southwest of Kamloops, contains the largest, and the greatest concentration of, copper-molybdenum mines in British Columbia. There are also large copper-molybdenum mines near Peachland and Princeton, and precious metals mines near Hedley and west of Clinton. Mineral exploration activity is extensive and additional mining developments are anticipated. Kamloops and Kelowna are the largest communities with broad local economies based on trade, administration, services and manufacturing. Tourism and the retirement industry provide considerable economic benefit, particularly in the Okanagan and Shuswap areas.

KOOTENAY REGION

The Kootenay region comprises three Regional Districts bordering the U.S.A. between Alberta and the Okanagan Valley. It represents 6.7 percent of the provincial land area and contains 4.6 percent of the population. The terrain is mountainous; valleys are oriented north-south and contain a number of reservoirs for power generation facilities. The only large flat area is at Creston where diverse agricultural enterprises are concentrated. Cattle ranching is the main agricultural activity around Grand Forks and in the Rocky Mountain Trench. Mining and mineral processing are dominant at Trail (non-ferrous smelter complex), Kimberley (lead-zinc mine) and the Fernie-Elkford area (coal mines). Logging and timber processing activities are widespread; pulp mills are located at Castlegar and Skookumchuk. Cranbrook is the regional centre for trade and services in the East

Kootenay while Nelson serves as the main administrative centre for the West Kootenay area. The region's long history of mining explains the presence of numerous smaller communities, and a few small mines continue to operate when mineral prices are favourable.

CARIBOO REGION

The Regional Districts of Fraser-Fort George and Cariboo together represent 13.5 percent of the province's land area, and 5.2 percent of the population. Bounded by high mountains on the east and southwest, the region is primarily high, rolling to hilly plateau. It is heavily forested but lower elevations are suitable for raising beef cattle; the southern portion is the centre of cattle ranching in British Columbia. Forestry provides the main economic support throughout the region. Pulp mills clustered in the centre at Quesnel (2), Prince George (3), and Mackenzie (2) utilize fibre resources from well beyond regional boundaries. There is a large open-pit copper-molybdenum mine located near Williams Lake and mineral exploration is widespread. The area from Quesnel to Barkerville has a long, rich history of gold mining. Prince George has developed as the leading trade, administration and manufacturing centre in the northern part of the province on the strength of its central location on the rail and highway systems.

NORTH COAST REGION

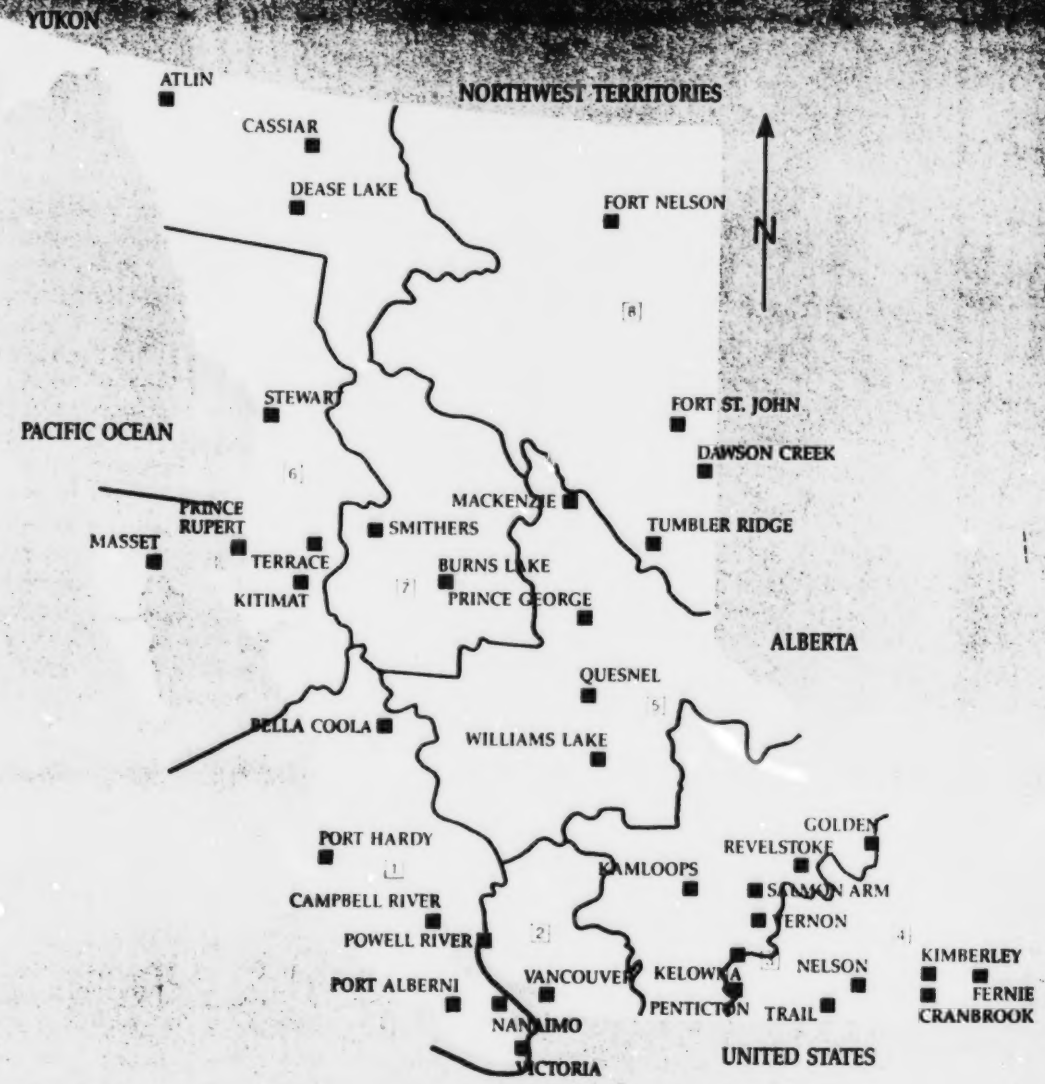
This is the fourth largest of the eight Development Regions, covering 12.5 percent of the provincial land area. The region includes only 2.2 percent of the provincial population and most of the residents are concentrated between Prince Rupert, Hazelton and Kitimat. The terrain ranges from broad valleys near sea level to rugged mountains and rolling plateau. The economy is equally diverse. The coastal communities rely heavily on fishing and fish processing. There is extensive logging on the Queen Charlotte Islands and the southern half of the mainland portion of the region. Pulp and paper mills are located at Prince Rupert and Kitimat, and major sawmills at Terrace, Kitwanga and Hazelton. The mining industry has provided the main support for Stewart, Tasu and Kitsault. Prince Rupert was originally the leading administrative centre for the region, but Terrace's role in this regard has been steadily increasing because of its more central location. Kitimat was established in the early 1950s to house Alcan's aluminum smelter complex but the local economy has broadened appreciably.

NECHAKO REGION

The region comprises the Regional District of Bulkley-Nechako and the unincorporated Stikine area to the north. It is the second largest of the Development Regions, containing 20.7 percent of the provincial land area but only 1.4 percent of the population. Communities along the rail-highway corridor from Smithers to Vanderhoof and Fort St. James contain the bulk of the population. The terrain may be characterized as largely high, rolling or hilly plateau bounded by rugged mountains on the west and on the northern portions of the eastern border. There is little or no commercial forest cover in the northern half but in the south it is extensive and supports a large part of the local economy. The mining industry is the leading economic support in Atlin, Cassiar, Dease Lake, Fraser Lake and Granisle. Large mines are located near Fraser Lake (molybdenum), Houston (silver), Granisle (copper) and Cassiar (asbestos, gold). Widespread mineral exploration and development is currently dominated by work on precious metals discoveries but large deposits of base metals and coal (at Mount Klappan and Telkwa) offer future potential. Agricultural activity is limited by climate and terrain primarily to the Bulkley Valley at Smithers and an area west of Vanderhoof, although cattle ranches are found south of Burns Lake as well.

PEACE RIVER

This, the largest of the Development Regions, encompasses the Peace River and Fort Nelson-Liard Regional Districts. It represents 21.8 percent of the land area of the province and contains 2.0 percent of the population. The terrain is largely flat, except for deeply cut rivers, rising to the peaks of the Rocky Mountains on the south and west. The central part of the region actually extends westward beyond the Rockies, an area that is expected to contain a number of gold-silver mines in the near future. Grain, forage crops and beef cattle traditionally provided the economic base of the triangle extending from Chetwynd to Dawson Creek and Fort St. John. Over the past three decades the forest industry, oil and natural gas, and hydroelectric power projects have provided much of the region's economic and population growth. In the 1980s growth has been largely attributable to the development of coal mines southwest of Dawson Creek in the vicinity of the new community of Tumbler Ridge.



British Columbia Development Regions

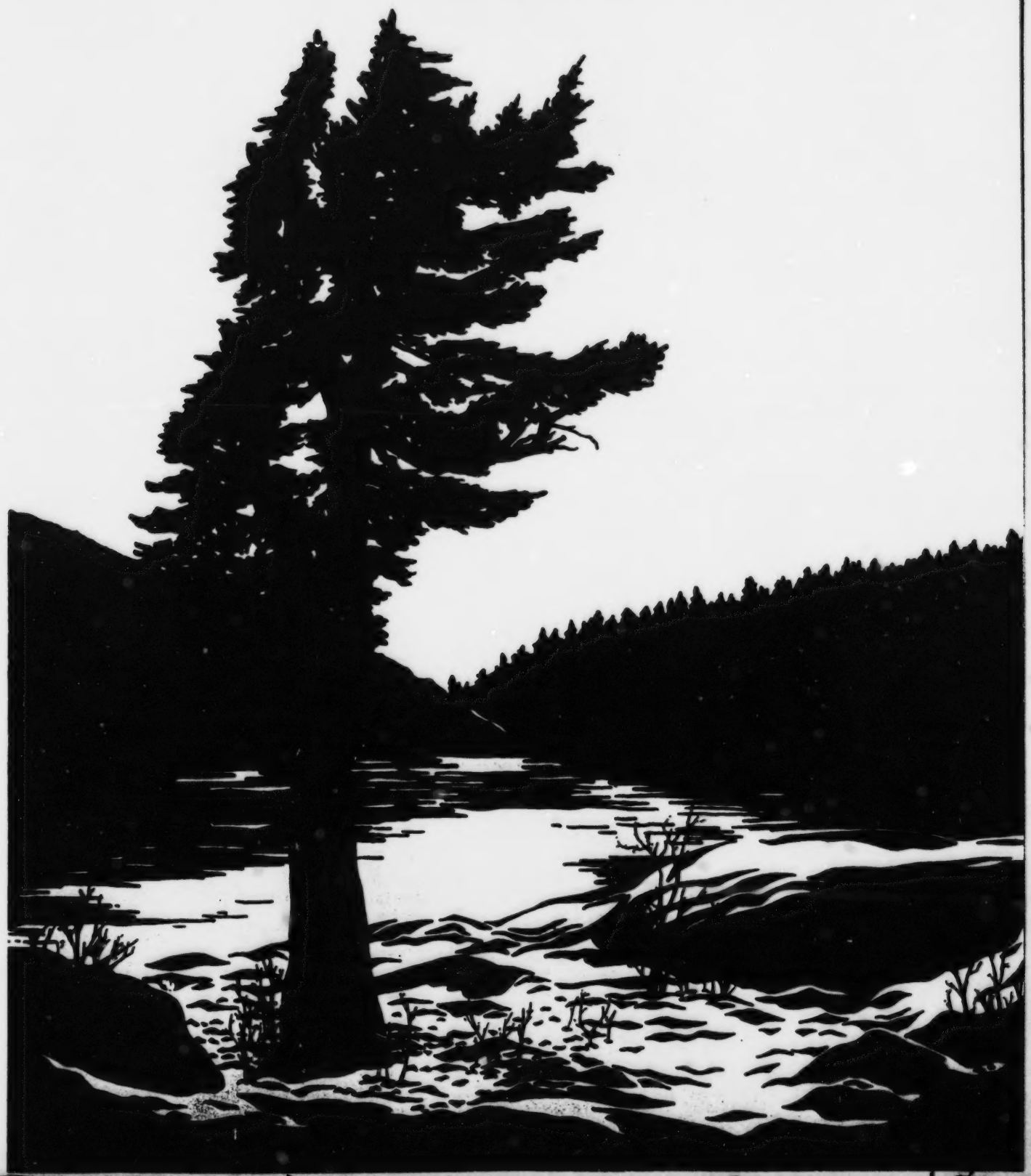
1. VANCOUVER ISLAND/COAST
2. MAINLAND/SOUTHWEST
3. THOMPSON/OKANAGAN
4. KOOTENAY
5. CARIBOO
6. NORTH COAST
7. NECHAKO
8. PEACE RIVER

SCALE

0 100 200

Kilometres

LAND



GEOLOGY

The rock formations of British Columbia range in age from the Precambrian to recent. Some lava flows are only a few hundred years old.

The Precambrian era rocks, chiefly sedimentary, occur in the southeast part of the province. An extensive belt of metamorphic rock, schists and gneisses of undetermined age underlies the eastern part of the Interior Plateau and parts of the Monashee, Selkirk, Cariboo and Omineca Mountains.

Palaeozoic rocks form the main ranges of the Rocky Mountains. They underlie much of the country along and west of the Rocky Mountain Trench. Late Palaeozoic era sedimentary and volcanic rocks are exposed in a narrow belt extending northward along the Fraser River to the Omineca Mountains. Similar rocks occur in the northwest, between Atlin and Teslin Lakes.

Rocks of the Mesozoic age are widespread. Sedimentary and volcanic formations occur throughout the central part of the province between the Coast Mountains and the Rocky Mountain Trench, and on Vancouver and Queen Charlotte Islands. Mesozoic stratified sedimentary rocks, mainly Cretaceous in age, occur east of the Rocky Mountain Foothills and along the east coast of Vancouver Island.

Granatic intrusions, ranging from small plutons to large composite batholiths of Mesozoic and Early Tertiary age, are widespread. They intrude older rocks in a belt corresponding to the Coast Mountains, in another belt corresponding to the Omineca-Cassiar Mountains, and in an area extending across the southern part of the province between the Fraser River and Kootenay Lake. Tertiary rocks, mostly lava flows and associated volcanics, overlie older formations in the Interior Plateau, Stikine Plateau, and on Graham Island.

Mineral deposits are widespread throughout the province with copper forming the greatest number. It occurs as massive sulphide deposits in the Coast and Insular belts, in porphyries in the Interior belt, and in widely distributed skarn deposits. Copper, molybdenum and tungsten are associated in porphyry deposits in the Interior. Lead-zinc mineralization occurs as stratiform deposits in the late Precambrian and Cambrian rocks of southeastern British Columbia. Silver and silver-lead-zinc veins are localized in the Slocan area. Iron, as magnetite, occurs mainly in skarns in the Insular belt or associated with porphyry copper in the Interior belt. Gold is widely dispersed in veins and as an accessory in other classes of deposits throughout all mineralized regions.

Significant quantities of oil and gas occur in the Palaeozoic and Mesozoic formations east of the Rocky Mountains in the northeastern part of the province. Some petroleum exploration and drilling activity has been undertaken on the continental shelf west of Vancouver Island and in Hecate Strait, and in various parts of the Interior, Vancouver Island and the Lower Fraser Valley, but no commercial discoveries have been made to date west of the Rockies. Extensive coal reserves are present in Cretaceous rocks of the Rocky Mountains, in isolated coal basins in central British Columbia and along the east coast of Vancouver Island.

PHYSIOGRAPHY

British Columbia, the westernmost province in Canada, has a diverse physiography composed of the Cordillera and Great Plains Region. The Cordillera in British Columbia consists of three broad units—the Western System, the Interior System of scattered plateaux and mountains, and the Rocky Mountain System in the east.

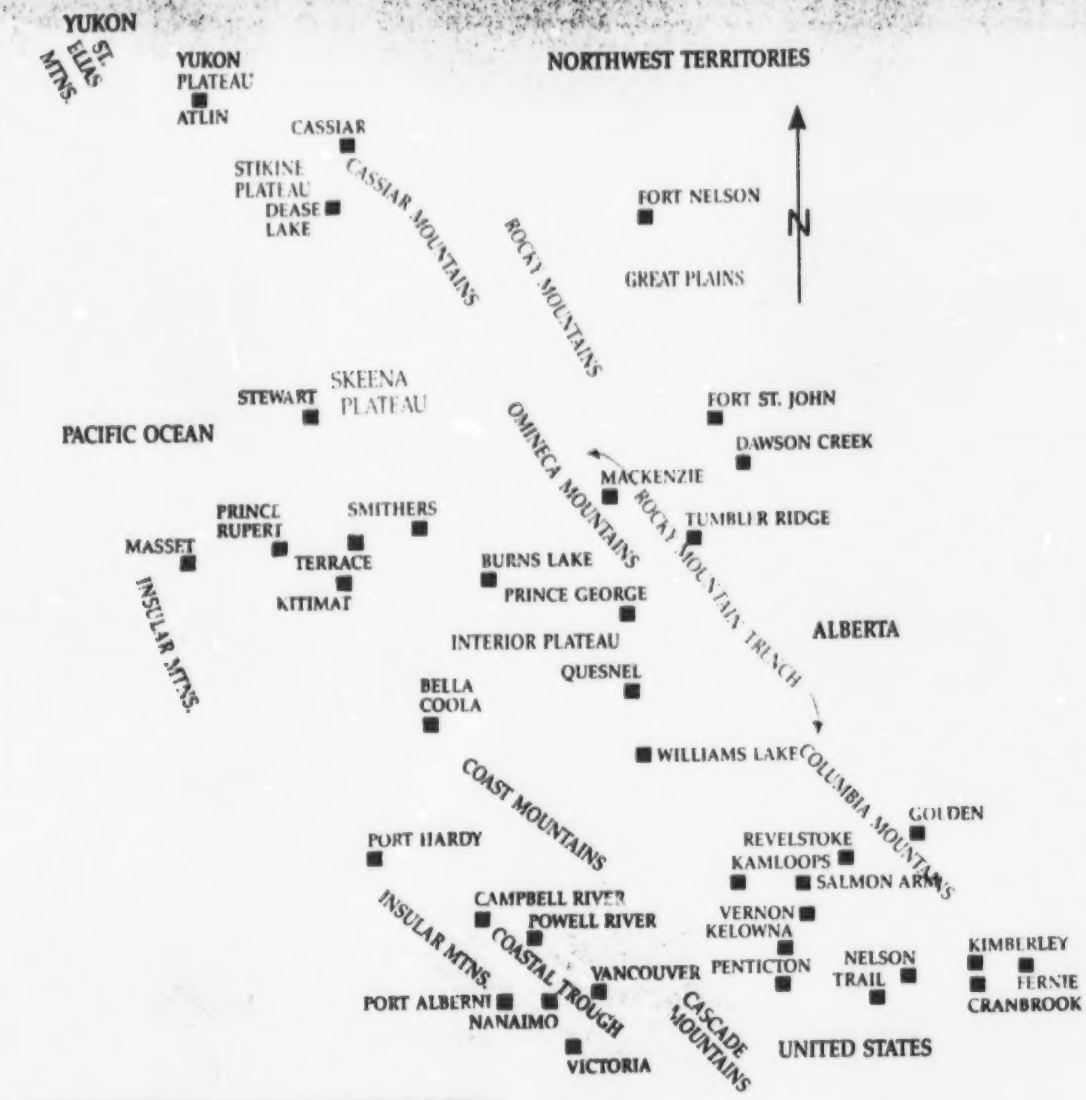
The Western System consists of: (1) the Insular Mountains appearing in the Queen Charlotte Islands and Vancouver Island, and the St. Elias Mountains in the northwest corner of the province where Mt. Fairweather (4,663 metres), the highest peak, is found; (2) the Coastal trough forming the east coastal plain of Vancouver Island and the delta plain of the Fraser River; (3) the Coast Mountains which extend northwesterly and average 160 kilometres wide; and (4) the Cascade Mountains which rise to the east and south of the Fraser River in the southeast corner of the Western System.

The Interior System is further inland and is dominated by the extensive Interior Plateau. The southern section of the Interior Plateau is 50-65 kilometres wide and ranges between 1,200 and 1,800 metres above sea level. It extends 800 kilometres in a northwesterly direction, broadening to 320 kilomeetres and ranging between 600 and 1,200 metres elevation in the northern section. It is bordered on the east by the Columbia Mountains and the Rocky Mountain Trench, and on the west by the Coast and Hazelton Mountains. The northern third of the Interior System, surrounded by a series of mountain systems, comprises the smaller Yukon and Stikine Plateaux.

The Rocky Moutain Trench runs in a northwesterly direction to the Yukon border from the southeast sector of the province. It is 3 to 25 kilometres wide and contains a series of rivers and lakes as well as the Peace River reservoir (Lake Williston) and Mica reservoir (Kinbasket Lake). The Rocky Mountain System forms the eastern wall of the Trench and separates the province of Alberta from British Columbia south of the 54th parallel. Mt. Robson, reaching an elevation of 3,957 metres, is the highest peak in the British Columbia portion of the Rockies.

The northeast corner of the province east of the Rocky Mountains is a relatively flat region. It is part of the Great Central Plains of North America.

The province has many rivers which rise in glacial and snowcapped mountains and drain the interior regions. The Fraser and Columbia Rivers originate in the Rocky Mountain Trench and flow southwestward. The Fraser enters the Pacific Ocean near Vancouver. The Columbia extends south of the border and reaches the ocean in the United States. The Skeena River rises in north Central British Columbia, runs southwest and empties into the Pacific Ocean near Prince Rupert. The Peace and Liard Rivers originate in the Rocky Mountain Trench and are tributaries of the Mackenzie River which flows north to the Arctic Ocean. There are many large and beautiful lakes in the province. Some of the largest natural ones include: Babine, Kootenay, Atlin, Stuart and Okanagan Lakes. Williston Lake, created behind Bennett Dam on the Peace River, is now the largest body of water in British Columbia. Other large man-made (or enlarged) lakes include the Nechako reservoir, Kinbasket Lake and Arrow Lakes.



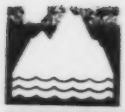
Physiography

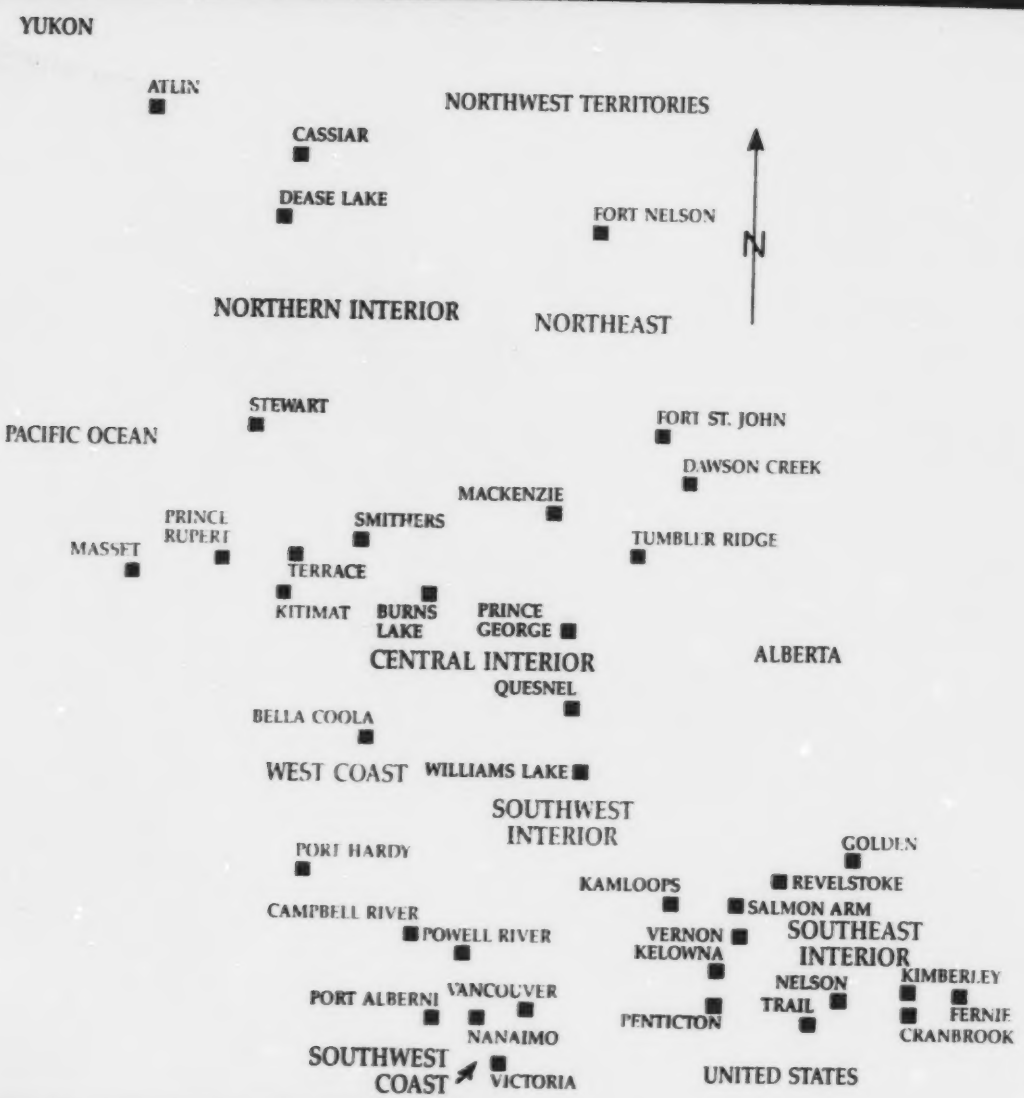
- ☐ Great Plains Region
- Cordillera Region
- ☐ Rocky Mountain System
- ☐ Interior System
- ☐ Western System

SCALE

0 100 200

Kilometres





Climate

- Coast Region
- Interior Region
- Northeast Region

SCALE

0 100 200

Kilometres

CLIMATE

THE COAST REGION

The Coast Region has the abundant rainfall and mild temperatures associated with a maritime climate. Considerable variation does occur due to the terrain, high mountains and long fiords. There is also a distinct variation from south to north. Annual precipitation on the West Coast ranges from 130 to 380 centimetres. The heaviest rain occurs on the windward slopes in the fall and winter months. The leeward slopes record lowest annual rainfalls. The range in temperature is smallest on the outer coast due to the maritime effect. The sheltered inner coasts are somewhat warmer in summer and cooler in winter.

The southwest coast, consisting of the Lower Mainland and the southeast coast of Vancouver Island, has a pleasant climate. Depending on elevation, some 65 to 130 centimetres of rain falls per year, mostly in the fall and winter. Victoria averages approximately 75 centimetres of rain a year compared to Vancouver which receives approximately twice as much. Summer is often a period of relative drought. The area has a long frost-free season and mild winters.

THE INTERIOR REGION

The Interior Region, lying east of the coastal mountains and west of the Rockies, has a predominantly continental type of climate. It is not as rigorous as the Canadian Prairies, except for the northern section. Considerable variation in climate occurs, especially in winter, as Pacific storms bring relief from cold spells.

The Southwest Interior, lying just east of the high coastal mountains, has the driest and warmest climate of the whole province. Annual precipitation ranges from less than 25 centimetres to about 50 centimetres in the valleys. Temperatures in summer may reach 38 degrees Celsius. The coldest winter months have mean temperatures below zero degrees Celsius.

The Southeast Interior, made up of the Columbia Mountain System and associated valleys, has a more extreme climate than the Southwest Interior. Although precipitation in the valleys is fairly light, falls on the ridges are heavy. Mountain passes may receive well over 500 centimetres of snow in a season. Temperature ranges are typical of a continental climate, from below zero degrees Celsius in the winter to as high as 38 degrees Celsius in the summer.

The Central Interior has a distinct continental climate, with more extreme temperatures and higher precipitation than in the south. Temperature extremes range from 32 degrees Celsius in summer to as low as minus 40 degrees Celsius in winter. Annual precipitation ranges from 50 to 75 centimetres, while snowfall totals approximately 190 centimetres for the winter season. The frost-free period is short and unreliable.

The Northern Interior is a vast area and little factual meteorological data are available. Long, cold winters and short, cool summers are characteristic of the area. Precipitation is lightest in the western sections in the lee of the coastal mountains and heaviest in the foothills and slopes of the Rockies.

THE NORTHEAST REGION

The Northeast Region of the province is a northern extension of the western prairie region of Alberta. It has a continental climate that is more extreme than the Northern Interior region. However, it does have long hot summers and a frost-free period long enough to grow grain, forage and other crops.

BIOGEOCLIMATIC ZONES, VEGETATION TYPES AND WILDLIFE

The natural environment of British Columbia is influenced by the prevailing westerly winds. The winds create a series of wet and dry seasons. The result is numerous and distinct biogeoclimatic zones and forest types. The zones include the following:

COASTAL WESTERN HEMLOCK ZONE

Marine humid climate to the west of the Coast Range lying between sea level and 305 metres in the north and sea level to 915 metres in the south. Annual precipitation is 180 to 280 centimetres in the dry subzone and 280 to 660 centimetres in wet subzone. Most precipitation occurs from fall to spring although summers are also wet. There are 4 to 6 months when the temperature is above 10 degrees Celsius and as many as 3 months when the temperature is less than 0 degrees Celsius. The predominant trees include: western hemlock, western red cedar, with Douglas fir in the dry subzone and amabilis fir in the wet subzone.

COASTAL DOUGLAS FIR ZONE

Mediterranean subhumid climate occurring in the rain shadow of Vancouver Island and Washington State's Olympic Mountains. This zone lies roughly between sea level and 450 metres elevation in the north and to 150 metres in the south. Annual precipitation is 70 to 130 centimetres occurring mainly from September to April. There are 5 to 7 months when average temperatures are above 10 degrees Celsius and none when they are below 0 degrees Celsius. The dominant trees include: Douglas fir, grand fir and western red cedar.

INTERIOR WESTERN HEMLOCK ZONE

Continental humid climate in the Selkirk Mountains of southeast British Columbia. This zone lies roughly between 430 and 1,340 metres above sea level. Annual precipitation is 50 to 115 centimetres in the dry subzone and 115 to 180 centimetres in the wet subzone. Precipitation falls mainly in winter, although summers are moist and humid. There are 3 to 5 months when temperatures are above 10 degrees Celsius and 3 to 5 months when they are below 0 degrees Celsius. The dominant trees include western hemlock, western red cedar, Douglas fir, white pine, western larch and grand fir.

INTERIOR DOUGLAS FIR ZONE

Montane forests lying between the Ponderosa Pine Bunchgrass Zone and the Interior Western Hemlock Zone in the north. This zone lies between the elevations of 460 to 915 metres in the north and 305 to 1,340 metres in the south. Annual precipitation, 40 to 56 centimetres, falls mainly in winter; summers are very dry. There are 5 to 6 months with temperatures above 10 degrees Celsius and 2 to 4 months with temperatures less than 0 degrees Celsius. The dominant trees include: Douglas fir, ponderosa pine, often with western larch and western cedar.

CARIBOO ASPEN - LODGEPOLE PINE - DOUGLAS FIR PARKLAND ZONE

Cool continental climate in the central part of the Interior Plateau—associated with range land. The zone extends from the elevations of 520 to 915 metres. Annual precipitation is 36 to 50 centimetres and falls mainly in the winter. There are 3 to 5 months with temperatures greater than 10 degrees Celsius and 4 to 5 months with temperatures less than 0 degrees Celsius. The dominant trees include: Douglas fir, Englemann and white spruce, lodgepole pine and trembling aspen.

PONDEROSA PINE - BUNCHGRASS ZONE

Lowland semi-arid parkland lying between 275 and 830 metres. Annual precipitation is 18 to 36 centimetres and occurs mainly in the winter. There are 5 to 7 months with temperatures greater than 10 degrees Celsius and 2 to 4 months with temperatures less than 0 degrees Celsius. The dominant tree is the ponderosa pine in open grassy stands.

ENGLEMANN SPRUCE - ALPINE FIR ZONE

The most widely representative zone in British Columbia with subalpine coniferous climate. This zone lies between the elevations of 900 and 1,700 metres in the north and 1,200 and 2,300 metres in the south. Annual precipitation of 40 to 180 centimetres falls mainly in the winter. Summers are cool and moist. There are 2 to 4 months with temperatures greater than 10 degrees Celsius and 5 to 6 months with temperatures less than 0

degrees Celsius. The dominant trees include: Englemann spruce, alpine fir and alpine larch.

SUB-BOREAL SPRUCE ZONE

Coniferous forest in continental humid climate lying between the elevations of 335 and 855 metres. Annual precipitation is 40 to 65 centimetres and occurs mainly in the winter months. Summers are cool and moist. There are 5 months when temperatures are below 0 degrees Celsius. The dominant trees include: white spruce, lodgepole pine, alpine fir, black spruce and tamarack are also present.

BOREAL SPRUCE ZONE

Coniferous forest under cold continental climate, lying between the elevations of 150 and 860 metres. Annual precipitation of 30 to 60 centimetres is concentrated mainly in the winter months. The summers are cool and wet. There are 2 to 5 months when temperatures are greater than 10 degrees Celsius and 5 to 7 months when they are less than 0 degrees Celsius. The dominant trees include: white and black spruce, tamarack, jack pine and in southern parts, lodgepole pine. Paper birch is also common.

ALPINE ZONE

Continental cold to subarctic tundra climate. This zone lies between the elevations of 760 metres in the north and 2,290 metres in the southeast. Annual precipitation is 75 centimetres in the north and 280 centimetres in the west. Temperatures are greater than 10 degrees Celsius for five months of the year and less than 0 degrees Celsius for the rest. The dominant trees are sub-alpine species in scrub patches.

WILDLIFE

British Columbia wildlife resources are extensive and varied. Few areas of North America offer such a wide range of animal life. Big-game mammals include four species of deer, two species of elk, several of sheep (including California Bighorn, Rocky Mountain Bighorn, Stone and Dall sheep), moose, caribou, grizzly and black bear, mountain goat, wolf and cougar. Fur-bearing animals include beaver, fisher, red fox, lynx, marten, mink, muskrat, otter, weasel and wolverine. The principal game-bird species include blue grouse, willow grouse, sharptailed grouse, pheasants, ducks, geese, and chukar. Sport fishing offers salmon, trout, bass and several other species. All of British Columbia's wildlife is administered under the terms of the Wildlife Act and the federal Migratory Birds Convention and Fisheries Act.

PEOPLE

GOVERNMENT

British Columbia was officially proclaimed a province by Frederick Seymour, Governor of British Columbia, with the Union Proclamation of 1866. This united the Crown Colonies of Vancouver Island and British Columbia. Parliamentary government was implemented on August 12, 1856, in the first Legislative Assembly of the Colony of Vancouver Island. On July 20, 1871, fully responsible government was achieved when British Columbia entered Confederation.

The main document of the Canadian Constitution from 1867 to 1982 was the British North America (BNA) Act. This Act defined the major institutions of Parliament and provincial legislatures, and the division of authority between the federal government and the provinces. All matters of national concern, such as defence, postal service, banking and currency were under federal jurisdiction.

In 1982 the BNA Act was incorporated into a new Act, the Constitution Act, by a constitutional resolution passed by the Canadian Parliament. The Canada Act, 1982, put an end to the power of the British Parliament to legislate for Canada and added the following new provision to our Constitution:

- A Charter of Rights and Freedom recognizing the supremacy of God and the rule of law. It protects the rights Canadians traditionally have enjoyed and recognizes important new rights.
- recognition of Canada's multicultural heritage.
- affirmation of the existing rights of the native peoples.
- the principle of equalization, referring to the long-standing tradition of sharing wealth among the provinces through federal payments, and committing governments to provide all Canadians with a reasonable level of public services.
- provisions confirming and strengthening the provincial ownership of resources.
- an amending procedure ensuring all changes to the Constitution will be made in Canada.

The major difference between the Canadian Constitution of 1982 and the BNA Act of 1867 is the fact the new Constitution will be adapted to meet Canada's changing needs and circumstances. The Constitution, unlike the BNA Act, is not under the jurisdiction of another country.

The people of British Columbia are represented federally by 28 Members of Parliament and 6 Senators. The total number of seats in the House of Commons is currently 282 and, in the Senate, 104 seats.

In 1987, eight Development Regions were established by the provincial government, each consisting of a grouping of Regional Districts. A Minister of State appointed from the Executive Council (Cabinet), has responsibility for co-ordinating development initiatives and provincial services in each region, through working with local government and private sector bodies.

Revenue for municipal services is derived mainly from property taxation and provincial grants. Additional revenue is obtained from licence fees, business taxes, and public utility projects.

PROVINCIAL GOVERNMENT

The provincial government has three branches: the Legislature, the Executive, and the Judiciary.

The Legislature

The Legislature consists of the Lieutenant-Governor and 69 members of the Legislative Assembly who are elected for a maximum term of five years. The members represent the people in the conduct of the business of the province. The Legislative Assembly is required by law to meet at least once a year. Normal sessions last several months. Special sessions last from a few days to several months, depending on the amount of business before the members.

The Executive

The Executive branch is composed of the Lieutenant-Governor and the Executive Council. The Lieutenant-Governor is appointed by the Governor General of Canada, usually for a term of five years. He is the head of the Executive Government of the province. The Lieutenant-Governor appoints members of the Executive Council (or Cabinet) on the advice of the Premier of the province (who is normally the leader of the political party having the support of the largest number of members elected to the Legislative Assembly.) He is guided by their advice as long as they retain the confidence of the Legislative Assembly. He assents to all measures or bills passed by the Legislative Assembly before they become law. The present Lieutenant-Governor of British Columbia is the Honourable Robert Gordon Rogers. The official residence of the Lieutenant-Governor, Government House, is located in Victoria, the capital of British Columbia.

The Premier and his Cabinet Ministers comprise the Executive Council, otherwise known as the Cabinet. The Cabinet determines Government policy and is responsible to the Legislative

Assembly for the operation of the Government. Cabinet members are appointed from the Legislative Assembly and usually head government ministries. Deputy Ministers are the chief operating officers of ministries and are appointed by the Government. They are responsible for carrying out the policy of the Government and for administering the work of their ministries.

The Judiciary

The third important branch of government is the Judiciary or the system of courts. The Provincial Legislatures and the Parliament of Canada have the power to make laws in Canada. The interpretation of these laws and the settlement of disputes under these laws are the responsibility of the Judiciary.

Under the terms of the Constitution, legislation concerning criminal law is under the jurisdiction of the Parliament of Canada. Provincial Legislatures are empowered to enact laws considered desirable for the protection of civil and property rights within their boundaries. Municipal or civic authorities are empowered to pass laws known as by-laws, which apply to their particular municipalities, under authority given by the Provincial Legislature.

The judicial system in British Columbia is composed of the following: the Court of Appeal, the Supreme Court, County Courts, and various Provincial courts, including Magistrates' Courts and Small Claims Courts.

The federal courts include the Supreme Court of Canada and the Federal Court of Canada. The Supreme Court of Canada is the court of final resort in Canada. It hears appeals from lower courts.

LOCAL GOVERNMENT

There are several types of local or municipal government. They vary in size and structure depending on the needs of the community.

An Improvement District is the simplest form of local government. It provides a single service such as garbage collection, fire protection, or water supply. Village municipalities usually have a population range of 500 to 2,500 persons. In addition to providing services a village municipality can also regulate the conduct of persons by passing by-laws. Towns normally have a population of between 2,500 and 5,000 persons and have the further responsibility of social rehabilitation. Cities have greater powers and responsibilities, such as providing police protection. District municipalities encompass rural or suburban areas and have responsibilities and powers similar to those of cities.

Regional Districts are a form of government designed to enable a group of municipal governments to provide common services on a shared basis, plus general regional services and local services in non-municipal areas. The municipalities and non-municipal areas in a Regional District are represented on a Regional Board.

FINANCE

Total provincial government revenues and expenditures, including all capital expenditures, for the fiscal years ended March 31, 1983 to 1987 are as follows:

Consolidated Revenue Fund Revenue and Expenditure for the Fiscal Years Ended March 31, 1983-1987 (Millions of Dollars)

Fiscal Year Ending March 31	Combined Revenue	Combined Expenditure
1983	6,529	7,513
1984	7,344	8,364
1985	7,790	8,784
1986	8,180	9,146
1987	8,555	9,694

Source: Ministry of Finance, 1987 Financial & Economic Review

Consolidated Revenue Fund Revenue by Source and Consolidated Revenue Fund Expenditure by Function for the Fiscal Year Ended March 31, 1987

Revenue & Expenditure Function	$ Millions	Percent
Revenue Source		
Taxation Revenue	4,863	56.8
Contributions from the Federal Government	1,994	23.3
Natural Resource Revenue	657	7.7
Contributions from Government Enterprises	448	5.2
Sales & Services	285	3.3
Licences & Permits	182	2.1
Income from Investments	53	0.6
Other Revenue	73	1.0
Total Combined Revenue	**8,555**	**100.0**
Expenditure Function		
Health & Social Services	4,373	45.1
Education	1,899	19.6
Transportation & Communications	975	10.1
Natural Resources & Trade & Industrial Development	617	6.4
Protection of Persons & Property	453	4.7
Interest on Public Debt	394	4.1
Aid to Local Government	392	4.0
Other Expenditure	591	6.0
Total Combined Expenditure	**9,694**	**100.0**

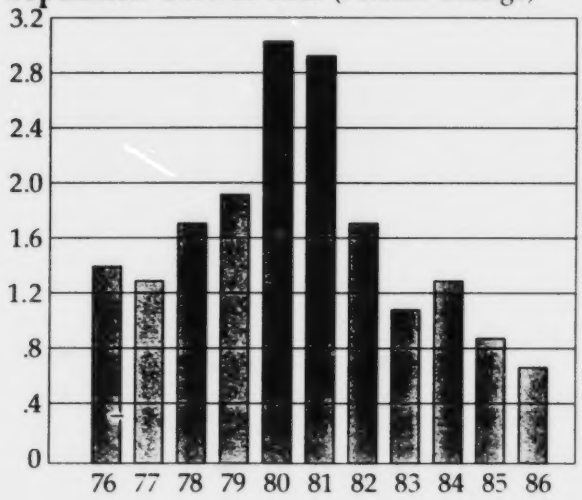
Source: Ministry of Finance, 1987 Financial & Economic Review

POPULATION

- The population of British Columbia as of June 1, 1986 was 2,889,207 persons.
- British Columbia contains 11.4 percent of the Canadian population.

Over the ten years from 1976 to 1986, the population of British Columbia has increased at an average annual rate of approximately 42,000 persons or 1.6 percent. The year by year population growth rates from 1976 to 1986 are displayed in the following graph:

Population Growth Rate (Percent Change)

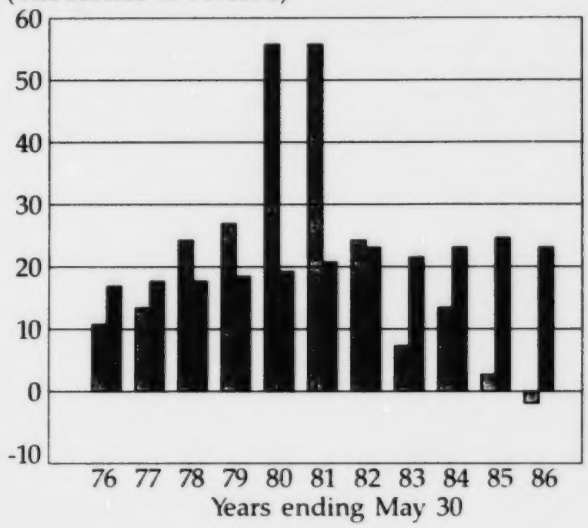


British Columbia's population is heavily concentrated in the metropolitan areas of Victoria and Vancouver. Together they comprise 56.6 percent of the province's total 1986 population.

Other major cities outside the metropolitan areas with their 1986 Census population in brackets include - Prince George (67,621), Kamloops (61,773), Kelowna (61,213) and Nanaimo (49,029).

The population growth rates displayed above are made up of two components; net migration and natural increase (births minus deaths). Over the ten years from 1976 to 1986 net migration accounted for 51 percent of the total growth, with natural increase contributing 49 percent. The year by year contributions of each are given below:

Components of Population Change
(Thousands of Persons)

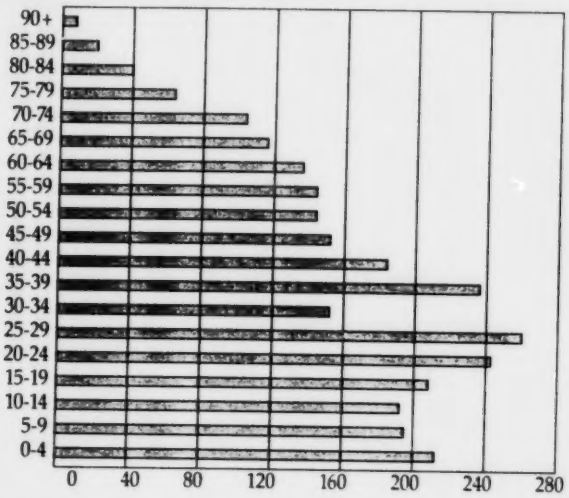


Year	Net Migration[1]		Natural Increase[2]		Total Increase
	Number	Percent	Number	Percent	
1977	22,970	55.9	18,095	44.1	41,065
1978	25,683	58.6	18,173	41.4	43,856
1979	43,858	69.5	19,228	30.5	63,086
1980	59,335	74.1	20,733	25.9	80,068
1981	36,221	62.6	21,617	37.4	57,838
1982	9,930	31.1	22,040	68.9	31,970
1983	11,376	33.0	23,092	67.0	34,468
1984	9,318	28.6	23,225	71.4	32,543
1985	1,769	7.5	21,825	92.5	23,594
1986	6,185	22.5	21,358	77.5	27,543

Sources: [1]Statistics Canada [2]Central Statistics Bureau

The median age of the British Columbia population in 1986 was 33.1. The following graph illustrates that the age groups between 15 and 39 years contain a relatively high proportion of the province's population. This bulge is largely a result of the post World War II "Baby Boom".

Population Age Distribution
(Thousands of Persons)



British Columbia Population by Development Regions (Thousands)

Development Region	Population 1981	Population 1986	Average Annual Percent Change 1981-1986	Percent Distribution 1986
Vancouver Island/Coast	517.5	538.1	0.8	18.6
Lower Mainland/ Southwest	1,438.2	1,567.0	1.7	54.2
Okanagan	338.9	342.5	0.2	11.9
Kootenay	139.0	132.5	-1.0	4.6
Cariboo	148.7	149.8	0.1	5.2
North Coast	66.4	62.5	-1.2	2.2
Nechako	40.3	39.5	-0.4	1.4
Peace River	55.5	57.3	0.6	2.0
British Columbia	**2,744.5**	**2,889.2**	**1.0**	**100.0**

Source: Statistics Canada

British Columbia Population by Census Divisions

(Thousands)

Census Divisions	Population 1981	Population 1986	Average Annual Percent Change 1981-1986	Percent Distribution 1986
Alberni-Clayoquot	32.6	30.3	-1.5	1.0
Bulkley-Nechako	38.3	37.5	-0.4	1.3
Capital	249.5	265.4	1.2	9.2
Cariboo	59.3	60.5	0.4	2.1
Central Coast	3.0	3.2	1.3	0.1
Central Fraser Valley	115.0	136.9	3.5	4.7
Central Kootenay	52.0	49.1	-1.1	1.7
Central Okanagan	85.2	89.7	1.0	3.0
Columbia-Shuswap	40.1	40.1	0.0	1.4
Comox-Strathcona	68.6	71.1	0.7	2.5
Cowichan Valley	52.7	52.3	-0.2	1.8
Dewdney-Alouette	62.0	69.5	2.3	2.4
East Kootenay	53.7	53.8	0.1	1.9
Fraser-Cheam	56.9	58.0	0.4	2.0
Fraser-Fort George	89.4	89.3	-0.1	3.1
Greater Vancouver	1,169.8	1,266.2	1.6	43.8
Kitimat-Stikine	42.4	39.5	-1.4	1.4
Kootenay-Boundary	33.2	30.3	-1.8	1.0
Mount Waddington	14.7	14.9	0.3	0.5
Nanaimo	77.1	82.2	1.3	2.8
North Okanagan	54.4	55.0	0.2	1.9
Okanagan-Similkameen	57.2	59.1	0.7	2.0
Peace River-Liard	55.5	57.3	0.6	2.0
Powell River	19.4	18.4	-1.1	0.6
Skeena-Queen Charlotte	24.0	23.1	-0.8	0.8
Squamish-Lillooet	18.9	19.7	0.8	0.7
Stikine	2.0	2.0	0.0	0.1
Sunshine Coast	15.5	16.8	1.6	0.6
Thompson-Nicola	102.0	98.5	-0.7	3.4
British Columbia	**2,744.5**	**2,889.2**	**1.0**	**100.0**

Source: Statistics Canada

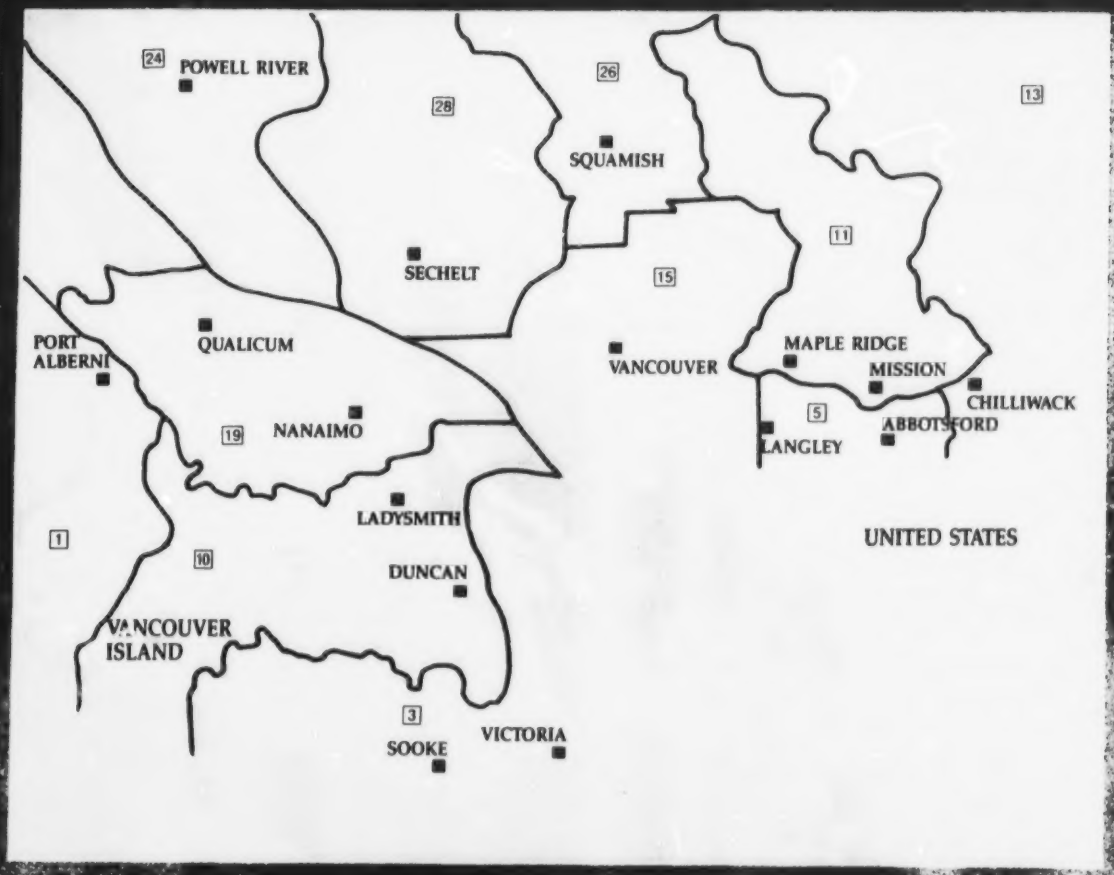
Census Divisions

1. Alberni-Clayoquot
2. Bulkley-Nechako
3. Capital
4. Cariboo
5. Central Fraser Valley
6. Central Kootenay
7. Central Okanagan
8. Columbia-Shuswap
9. Comox-Strathcona
10. Cowichan Valley
11. Dewdney-Alouette
12. East Kootenay
13. Fraser-Cheam
14. Fraser-Fort George
15. Greater Vancouver
16. Kitimat-Stikine
17. Kootenay Boundary
18. Mount Waddington
19. Nanaimo
20. North Okanagan
21. Central Coast
22. Okanagan-Similkameen
23. Peace River-Liard
24. Powell River
25. Skeena-Queen Charlotte
26. Squamish-Lillooet
27. Stikine Region (unincorporated)
28. Sunshine Coast
29. Thompson-Nicola

SCALE

0 100 200

Kilometres



Census Divisions Detail

See Census Division legend (on preceding page) for identification of divisions.

SCALE

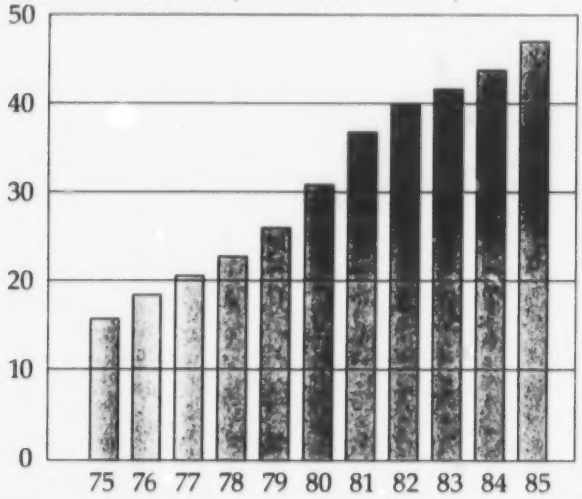
0 20 40

Kilometres

LABOUR FORCE, EMPLOYMENT AND INCOME

- the labour force averaged 1,457 thousand persons in 1986
- employment averaged 1,274 thousand persons in 1986
- average weekly earnings were $443.86 in 1986

Personal Income (Billions of Dollars)



LABOUR FORCE AND EMPLOYMENT

British Columbia's labour force, which includes both employed and unemployed persons, experienced steady growth during the five-year period between 1981 and 1986. Employment reached 1,270 thousand in 1981, then declined during the recession in both 1982 and 1983 before recovering to 1,274 thousand in 1986. As a result, unemployment remained high from 1982 to 1985; however, improved labour market conditions in 1986 resulted in a lower level of unemployment and higher employment than in any of the previous three years.

British Columbia Employment by Industry, 1983-1986 (000s)

Industry	1983	1984	1985	1986
Agriculture	33	34	36	31
Forestry	30	27	28	24
Fishing & Trapping	7	5	7	7
Mining	16	19	20	19
Manufacturing	151	148	151	151
Construction	70	70	69	69
Transportation, Communication and Other Utilities	124	111	111	117
Trade	211	222	225	240
Finance, Insurance and Real Estate	74	79	77	83
Service	400	407	426	450
Public Administration	81	81	79	83
Total	**1,197**	**1,202**	**1,228**	**1,274**

Source: Statistics Canada, 71-001 and unpublished information

The provincial labour force averaged 1,457,000 persons in 1986, an increase of 1.8 percent from 1985 and 7.1 percent from 1981. Of particular note is the rapid growth of the female labour force, which grew by 12.1 percent over the five year period as compared to 3.6 percent for the male labour force.

Despite a higher growth rate for the female labour force, males predominate and in 1986 comprised 57.3 percent of the total provincial labour force. The predominant age group is 25 to 44 years olds who account for 52.4 percent of the labour force, followed by the 45 to 64 year age group with 25.0 percent.

British Columbia Labour Force by Age and Sex, 1986 (000s)

Age Group	Total	Male	Female
15-19	**120**	62	58
20-24	**189**	101	88
25-44	**764**	432	333
45-64	**364**	227	138
65 and over	**20**	14	6
Total	**1,457**	**835**	**622**

Source: Statistics Canada, 71-001

Male and Female Labour Market Activity, 1981-1986

	1981	1982	1983	1984	1985	1986
Labour Force (000's)	1,361	1,370	1,389	1,410	1,431	1,457
Employment (000's)	1,270	1,204	1,197	1,202	1,228	1,274
Unemployment (000's)	91	166	192	208	203	183
Participation Rate (%)	65.1	64.3	64.1	64.0	64.3	65.1
Unemployment Rate (%)	6.7	12.1	13.8	14.7	14.2	12.6

Source: Statistics Canada, 71-001 and 71-529

One of the most important attributes of any labour force is its quality of skills and education. British Columbia's labour force is one of the most versatile and best-educated in Canada. In 1986 approximately 40.2 percent of the labour force in the province had at least some post-secondary education and almost 26.3 percent had completed some type of post-secondary education.

British Columbia Labour Force by Level of Education, 1986

Level of Education	(000s)	Percent
0-8 years	93	6.4
Some high school and no post-secondary	779	53.5
Some post-secondary	203	13.9
Post-secondary certificate or diploma	179	12.3
University degree	204	14.0
Total	**1,457**	**100.0**

Source: Statistics Canada, 71-001

Reflecting the underlying structure of the provincial economy, 75 percent of British Columbia workers are employed by non-goods producing industries. On an industry basis, the leading employer is the service industry—35.3 percent, followed by trade—18.8 percent, and manufacturing—11.9 percent.

INCOME

Total personal income in British Columbia reached an estimated $46.8 billion in 1985, a 6.8 percent increase over 1984. On a per capita basis, personal income rose to $16,214 per person from $15,321 in 1984. Over the ten year period between 1975 and 1985, total personal income in British Columbia grew at an annual rate of 9.4 percent.

On a regional basis, British Columbians enjoy higher income levels than residents of most other regions of Canada. Per capita personal income exceeded the Canadian average by 2.3 percent in 1985.

Regional Income Distribution, 1985 (Dollars)

Area	Per Capita Personal Income
British Columbia	16,214
Alberta	16,839
Saskatchewan	14,219
Manitoba	14,850
Ontario	17,410
Quebec	14,959
Maritimes	11,575
Canada	**15,851**

Source: Statistics Canada, CANSIM

Average weekly earnings for provincial workers reached $413.86 in 1986, a 0.6 percent increase from 1985. On an industrial basis, the highest wage levels occur in mining and the forest based industries, while the lowest paying industries are concentrated in the trade and service sectors.

Average Weekly Earnings in British Columbia, 1983-1986 (Dollars)

Industry	1983	1984	1985	1986
Forestry	587.15	646.60	635.35	636.36
Mining	644.86	704.20	733.45	758.39
Manufacturing	522.52	539.02	558.77	568.97
Food and Beverage	447.18	454.14	465.70	493.78
Wood	549.21	566.90	589.95	600.99
Paper and Allied	644.08	679.30	697.05	719.85
Construction	564.50	535.53	540.27	508.32
Transportation, Communication & Utilities	538.14	544.83	565.38	587.32
Trade	322.10	332.71	338.62	340.48
Finance and Related	408.38	417.40	443.91	464.52
Service	343.67	345.83	354.57	354.19
Education	502.23	516.27	517.64	522.10
Health and Welfare	349.20	353.29	358.48	358.79
Accommodation and Food	187.02	181.63	192.84	190.22
Public Administration	500.73	517.25	528.02	540.94
Industrial Aggregate	**423.35**	**429.41**	**441.33**	**443.86**

Source: Central Statistics Bureau, based on Statistics Canada, 72-002 and unpublished information

Individual incomes of British Columbians exhibit considerable variation as shown in the table below. About one in every five persons aged 15 years or more had an average income of less than $5,000 in 1985, while a nearly equal percentage had incomes of $30,000 or more. In addition, males had considerably higher incomes than females.

Distribution of Individual[1] Income in British Columbia, 1985 (Percent)

Income Group	All Individuals	Males	Females
Under $5,000	19.8	16.6	26.6
$5,000 - 9,999	20.5	18.3	26.2
$10,000 - 14,999	13.5	11.5	15.6
$15,000 - 19,999	10.4	10.2	10.7
$20,000 - 24,000	8.8	8.6	9.1
$25,000 - 29,999	7.1	9.0	5.0
$30,000 and over	19.6	31.9	6.8
Average Income ($)	18,130	23,364	12,418
Median Income ($)	13,341	19,787	9,391

Source: Statistics Canada, 13-206

[1] *Any person 15 years or over who received some money income in 1985.*

EDUCATION

The public education system in British Columbia had its formal beginning in 1872 with passage of the Public Schools Act. In the 1872-73 school year total enrolment was slightly over 1,000, average attendance 575, and the total budget only $40,000. Today the total cost of education (public school and post-secondary) has grown to more than $2.1 billion. In 1986, enrolment in public schools totalled 486,221.

The following table provides further information on the enrolment pattern in British Columbia schools. It gives the breakdown of public school enrolment by grade levels for the 1986-87 school year. Thousands more British Columbians participate in adult education programs as full-time or part-time students at universities, colleges and technical and vocational schools, and in public school night classes.

The British Columbia public school system embraces all grades from kindergarten to grade 12, with free tuition. Kindergarten is available for children five years old in most of the 75 school districts but is not compulsory. Public school attendance or a satisfactory alternative is compulsory for children between seven and fifteen years of age.

The school year normally begins early in September and ends late in June. The length of the term normally consists of between 195 and 200 days, with breaks at Christmas, mid-way between Christmas and the end of June, and during the months of July and August.

There are three universities in British Columbia. They are the University of British Columbia, University of Victoria, and Simon Fraser University. These universities offer a wide scope of courses in undergraduate, graduate, and professional programs. The following table gives the enrolment and the classification of students as of the fall of 1986:

Enrolment at British Columbia Universities, Fall 1986

Student Classification	University			Total
	British Columbia	Victoria	Simon Fraser	
Undergraduate				
Full-time	17,779	6,383	5,857	30,019
Part-time	5,127	3,448	5,554	14,129
Total Undergraduate	**22,906**	**9,831**	**11,411**	**44,148**
Graduate				
Full-time	3,037	827	1,064	4,928
Part-time	916	166	394	1,476
Total Graduate	**3,953**	**993**	**1,458**	**6,404**
Total				
Full-time	**20,816**	**7,210**	**6,921**	**34,947**
Part-time	**6,043**	**3,614**	**5,948**	**15,605**
Total Enrolment	**26,859**	**10,824**	**12,869**	**50,552**

Source: Universities Council of British Columbia

In addition to the three universities, British Columbia has an extensive system of non-university post-secondary education providing academic, technical, vocational, career, and artistic programs offered at institutions separate from public schools. These services are offered by 15 community colleges located throughout the province which provide a full array of programs such as university transfer, career/technical, college preparatory, and vocational; and by special purpose institutions which offer comprehensive programming in special fields such as the British Columbia Institute of Technology in Burnaby, the Justice Institute in Vancouver, the Pacific Marine Training Institute in North Vancouver, and the Emily Carr College of

Enrolment at British Columbia Public Schools, September 1986

Type of School	Number of Schools	Male Enrolment	Female Enrolment	Total Enrolment	Percent
Senior Secondary	18	8,283	7,758	16,041	3.3
Secondary	170	61,766	59,389	121,155	24.9
Junior Secondary	84	21,161	20,053	41,214	8.5
Elementary-Senior Secondary	26	4,043	3,699	7,742	1.6
Elementary-Junior Secondary	71	9,054	8,577	17,631	3.6
Elementary	1,137	144,910	136,305	281,215	57.8
Other Programs[1]	—	789	434	1,223	0.3
Totals (Grades 1-12)	**1,540**	**250,006**	**236,215**	**486,221**	**100.0**

Source: Ministry of Education

[1]Programs in alternate facilities, i.e. rehabilitation and containment centres.

Art and Design in Vancouver. The Opening Learning Institute based in Richmond provides long-distance education for students unable to attend other institutions, and the Jericho Hill School for the Deaf in Vancouver provides both day and residential education for the hearing-impaired.

The following table demonstrates the scope and size of the community college and vocational education system in British Columbia:

Enrolment at British Columbia Community Colleges and Provincial Institutes, 1986/87

Institution	Full-Time	Part-Time	Total
Colleges			
Camosun College	2,718	1,796	4,514
Capilano College	2,599	1,422	4,021
Cariboo College	1,822	1,758	3,580
Douglas College	2,347	2,263	4,610
East Kootenay Community College	541	425	966
Fraser Valley College	1,233	1,281	2,514
Kwantlen College	2,201	1,606	3,807
Malaspina College	2,362	753	3,115
College of New Caledonia	1,453	1,092	2,545
North Island College	710	1,700	2,410
Northern Lights College	536	480	1,016
Northwest Community College	754	204	958
Okanagan College	2,517	1,585	4,102
Selkirk College	1,070	270	1,340
Vancouver Community College	6,128	3,880	10,008
Total Colleges	**28,991**	**20,515**	**49,506**
Institutes			
B.C. Institute of Technology[1]	5,364	8,487	13,851
Emily Carr College of Art & Design	588	69	657
Open Learning Institute	—	5,967	5,967
Pacific Maritime Training Centre	134	—	134
Total Institutes	**6,086**	**14,523**	**20,609**
Total Colleges & Institutes	**35,077**	**35,038**	**70,115**

Source: Ministry of Education

[1]BCIT amalgamated with the Pacific Vocational Institute in 1986/87.

The Constitution invests the control of education with provincial governments; however, the provinces generally share responsibilities with local school boards.

The 75 boards of school trustees in British Columbia each administer their own district. The boards are subject only to the terms of the Public Schools Act and applicable regulations as administered and enforced by the Minister of Education. Boards are responsible, for example, for the appointment of teachers and other staff, salary negotiations, the drawing of attendance boundaries, and the actual construction of schools. Boards also have the power to introduce courses of local interest into their school curricula to supplement the Ministry of Education's core curriculum.

In addition to the public school system, the Ministry of Education provides funding to approximately 170 independent schools.

SOCIAL SERVICES[1]

[1]All rates in this section are applicable to 1987.

The provincial and federal governments administer numerous social services for the residents of British Columbia.

HOSPITAL PROGRAMS

All British Columbia residents are eligible for treatment and diagnostic services in the hospital system. Benefits include standard ward accommodation, meals, nursing services, drugs, and other available hospital services.

Hospitals also provide emergency health services. In addition to skilled nurses, physicians are on duty around the clock to treat victims of accidents and other emergencies. Many hospitals have day-care surgery services. The patient is admitted, treated, and discharged on the same day provided the surgery is not complicated.

Day care clinics for persons with diabetes, psychiatric illness, and other illnesses are becoming widely available in hospital settings. Physicians direct patients to these services.

MEDICAL SERVICES PLAN

The Medical Services Plan of British Columbia provides prepaid, comprehensive medical care insurance coverage, as well as certain in-hospital oral surgery procedures and specified services provided by non-physician providers of health care.

These services are available regardless of the individual's age, health, or financial circumstances, provided the person is enrolled in the Medical services Plan and premiums have been paid. Monthly premiums are $20.00 for individuals, $37.00 for 2 person families, and $42.00 for families of 3 or more persons.

It is a voluntary plan with the responsibility of every resident of the province to enrol in the plan and maintain coverage for him/herself and dependents either individually, through arrangements with an employer, or through a person acting on their behalf. Financial assistance regarding payment of premiums may be available from the plan.

EMERGENCY HEALTH SERVICES

The Ministry of Health operates a system of ground, air, and sea ambulances which are available to every resident (aircraft missions must be authorized by certain authorities before they will be dispatched). Ambulance numbers are located in the front of every telephone directory. The direct charges to patients are $28.00 for the first 40 kilometres, plus 29 cents per kilometre thereafter to a maximum of $180.00.

CONTINUING CARE PROGRAM

The Continuing Care Program helps persons with long-term health-related problems requiring supportive care. Services include:

- Long-term care facilities: residential care for physically and mentally infirm persons who can no longer function independently;
- Home Nursing Program: comprehensive care by experienced registered nurses to assist patients of all ages to remain in their own homes during an illness;
- Community Physiotherapy Program: direct treatment as well as consultative and preventive services;
- Homemaker Services: help for elderly and young handicapped individuals who cannot live independently; a specialized homemaker respite service offers relief to family care-givers who provide 24 hour care for disabled family members;
- Adult Day Care Program: personal assistance and supervision in a protective group setting for adults with physical and mental handicaps; and,
- Group Homes for the Handicapped.

MENTAL HEALTH SERVICES

This service provides for the care and treatment of mentally ill and emotionally disturbed patients. Facilities include Riverview Hospital, a 1,300 bed institution, and mental health centres in 31 locations providing out-patient services.

ALCOHOL AND DRUG PROGRAMS

Alcohol and Drug Programs are established for prevention, education, treatment and rehabilitation related to alcohol and drug abuse. Seven detoxification centres focus on the initial rehabilitation phase, 42 out-patient clinics provide counselling and treatment in 37 communities and 11 supportive recovery homes provide special treatment programs for patients requiring more intensive treatment.

PREVENTIVE SERVICES

This program promotes lifestyle and health care practices that will help to eliminate or minimize

illness and disease. Preventive services include, for example, public health nursing, health education and immunization programs.

PHARMACARE PROGRAM

This program provides prescription products at reduced cost to senior citizens, and at no charge to residents of long-term care facilities and income assistance recipients. The program also reimburses all other British Columbians for 80 percent of eligible drug expenses above $275 in a year.

WORKERS' COMPENSATION

Compensation for time-loss to those who suffer injury while at work is paid under the Workers' Compensation Act. Seriously injured individuals may be eligible for rehabilitation treatment and permanent disability pensions. Provision is also made for the dependents of a worker where death results from an employment injury. The premium for workers' compensation is paid by employers.

HOME-OWNER GRANT

The Home-owner Grant is paid by the British Columbia Government to reduce tax levies on resident home-owners. The maximum home-owner's grant is $380. Home-owners aged 65 or over, the physically disabled and the mentally retarded are eligible for an additional grant of $250.

SHELTER AID FOR ELDERLY RENTERS

The Shelter Aid for Elderly Renters (SAFER) program provides direct cash assistance to Old Age Security recipients renting in British Columbia so that they do not have to spend an unreasonable portion of their income on rent. Eligibility is based on income, rent and residency requirements. The program operates under statutory authority of the Shelter Aid for Elderly Renters Act.

SAFER benefits equal 75 percent of the amount by which rent exceeds 30 percent of the applicant's total income. Currently, the maximum monthly rent that could be claimed for SAFER benefits is $330 for a single person and $365 for a couple.

HOME PURCHASE ASSISTANCE

The Home Purchase Assistance Program offers second mortgages of up to $10,000 to eligible purchasers of new or used homes with values within prescribed price limits.

RENTAL CONVERSION LOAN PROGRAM

The Rental Conversion Loan Program was established to provide first and second mortgages of up to $25,000 per new unit when single family homes, industrial buildings or commercial property are converted to rental accommodation.

FAMILY AND CHILDREN'S SERVICES

The Ministry of Social Services and Housing provides services for the families and children including adoption services, child protection, foster care and family support.

SERVICES FOR SENIORS

Many of the programs administered by the Ministry of Social Services and Housing provide services for the province's senior citizens. Included are SAFER (see above), subsidized bus passes and counselling services. The GAIN (Guaranteed Available Income for Need) for seniors supplement provides a guaranteed minimum income to those seniors in receipt of the federal government's old age security, guaranteed income supplement and spouse's allowance.

SOCIAL HOUSING

The B.C. Housing Management Commission is the provincial agency for social housing policy, production and management. Commission functions include the management of approximately 8,000 provincial and federal-provincial housing units, and the administration of non-profit and rent supplement programs involving a further 9,000 units.

INCOME ASSISTANCE

Income assistance is provided to eligible British Columbia residents between the ages of 19 and 64 who cannot provide the necessities of life for themselves and their dependents. The program also provides an assured minimum income for eligible handicapped persons and senior citizens.

UNEMPLOYMENT INSURANCE

Administration of unemployment insurance benefits is provided through a nation-wide system of Canada Employment and Immigration Commission offices. Contributions to the Unemployment Insurance Fund are shared by employees and employers. In 1987 employees paid 2.35% of their weekly wage, up to a maximum of $12.45 per week. Employers paid 1.4 times the employee's premium. Employers are eligible for a premium

reduction if they have a wage loss indemnity plan registered with the Commission. The federal government will pay the cost of benefits if the national unemployment rate exceeds a specified level which is calculated annually; otherwise benefits are paid out of the employer/employee account. The maximum weekly benefit in the 1987 was $318.

FAMILY ALLOWANCE

A monthly allowance of $31.93 (January 1987) per child is paid by the federal government from birth to eighteenth birthday. The allowances may be increased in January of each year, to reflect the increase in the cost of living. Family allowances are payable on behalf of all children under 18 who are residents of Canada and who are maintained by their parents, provided at least one parent is a Canadian citizen; or a person who is a landed immigrant in accordance with the Immigration Act; or a person admitted to Canada as a non-immigrant for a period of not less than one year and whose income during that period has been subject to Canadian income tax.

OLD AGE SECURITY

All persons meeting age and residence requirements are eligible, upon application, for an old-age pension of $303.64 per month (July 1987). The pension is payable at age 65 and is adjusted every three months. A guaranteed income supplement, up to a maximum of $360.87 per month, is provided to pensioners whose income apart from the pension is limited. The Old Age Security Act also provides a Spouse's Allowance to old age pensioners whose husbands or wives are between 60 and 65, and a Widowed Spouse's Allowance to widows or widowers between 60 and 65.

CANADA PENSION PLAN

This plan became operational on January 1, 1966 and covers, on a compulsory basis, most types of employment. Contributions are required by employees at the rate of 1.9 percent of their earnings. Employers contribute an equal amount. Self-employed individuals contribute at a rate of 3.8 percent. In 1987, the maximum contributions payable per year were $444.60 by both employers and employees and $889.20 by those self-employed. Persons can receive a retirement pension of up to a maximum of $521.52 per month at age 65 (1987 rate). The plan provides disability pensions, survivors' benefits, death benefits, and orphans' benefits. A reduced pension is available to those between 60 and 65 who have wholly or substantially ceased working.

LEGAL AID

The Legal Services Society offers legal assistance to individuals who would otherwise be unable to obtain legal counsel, and funds public legal education and information services.

ECONOMY

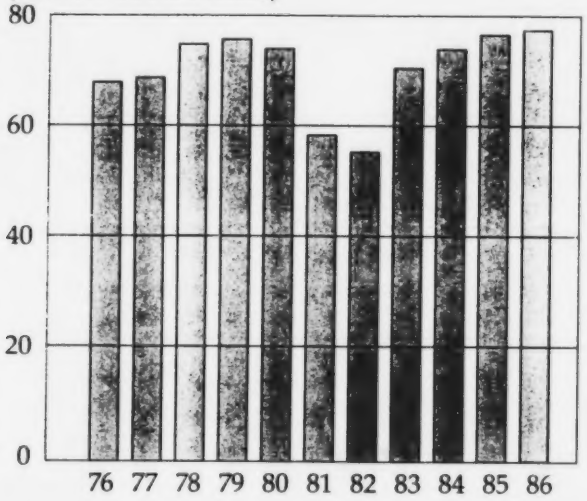
FORESTRY

- The value of shipments from forest-based industries totalled $9.3 billion in 1986.
- British Columbia accounted for 61 percent of softwood lumber, 29 percent of the pulp, 17 percent of the paper, and 82 percent of the softwood plywood manufactured in Canada in 1986.

THE FOREST RESOURCE

The extensive forest resources of British Columbia have played a dominant role in the economic growth of the province. A high proportion of the forests consist of softwood species (coniferous) which are in demand throughout the world in the form of lumber, newsprint, pulp and paper products, and shingles and shakes. The following graph details log production in British Columbia from 1976 to 1986:

Log Production
(Million Cubic Metres)



In the early days of the industry, logging camps were established along the coast to harvest the timber which was easily accessible by water. Mills were built in protected harbours where log storage and transportation could be facilitated, or where water power could be easily harnessed. Powell River, Port Alberni, and Chemainus are examples of such mill centres which are still active today. In the Interior, mills were built to provide ties for the railways and then to provide lumber for the settlement of the Prairie Provinces. The East Kootenay region played a major part in the latter role.

Extensive development of the forest industry in the Interior of British Columbia commenced in the years following World War II as demand for forest products increased, as rail, highway and electric power systems extended into new areas, and as technological advances improved the economics of harvesting and processing smaller-sized Interior timber.

The Ministry of Forests and Lands estimates that the provincial productive forest land covers 43.3 million hectares or 46 percent of British Columbia's total area of 94.9 million hectares. This forest land supports 8,241 million cubic metres of mature timber, of which 97.5 percent is highly marketable softwood. British Columbia has about one-half of Canada's softwood inventory. Forests of the coastal region contain more hemlock than any other species, while lodgepole pine is the leading species of the Interior region. Those, plus spruce, balsam and cedar, constitute 90 percent of the province's native timber by volume.

ADMINISTRATION AND MANAGEMENT

Currently, 94 percent of the forest land in British Columbia is owned or administered by the provincial government. Retention of public ownership of forest land began with the Land Ordinance of 1865. This allowed the government to sell timber while retaining ownership of the land. Private owners hold authority over 5 percent of the forest land, the largest trace being the E&N Railroad Belt (approximately 1,600 square kilometres) on southeastern Vancouver Island. The federal government and special users control the remaining 1 percent.

Forest management in British Columbia, under direction of the provincial Ministry of Forests and Lands, is guided by the principal of maximum sustained yield. This principle dictates that timber depletion shall not exceed the forests' ability to reproduce sound wood. Thirty-three Timber Supply Areas (TSAs) replaced Public Sustained Yield Units (PSYUs) in 1979 as the primary forest management unit.

New legislation dealing with the British Columbia forest sector was introduced by the provincial government in 1979. The Forest Act, Ministry of Forests Act, and Range Act were proclaimed effective January 1, 1979 replacing legislation dating back to 1912. Highlights of the Acts include: revisions to logging tax legislation, incentives to licencees who practice good forest management and penalties for those who do not, provisions for intensive forest management practices, major

changes in forest tenure forms (as recommended by the 1976 Pearse Royal Commission on Timber Rights and Forest Policy), government commitment to examine forest and range resources every ten years and forest management practices every five years, and provisions for replacement of existing short-term range permits by licences of up to ten years for ranchers.

The Federal-Provincial Intensive Forest Management Subsidiary Agreement, signed in May 1979, provided a five-year $50 million program, with costs being shared equally between the two governments, to undertake initiatives for ensuring the long-term economic viability of the forest sector. The agreement expired in May 1984, and a successor agreement has been negotiated. The purpose of the program is to enhance the forest resource base through intensive forest management in order to ensure the availability of timber for harvesting in future years. The Forest Resource Development Subsidiary Agreement provides $300 million for reforestation, thinning, fertilizing and other intensive management practices. Much of the funding will be devoted to reforestation of those areas of the province that have not regenerated naturally after logging, fires and disease or insect damage. Some funds will go to construction of a new provincial seed centre and enhancement of provincial research facilities.

FOREST-BASED INDUSTRIES

Forest-based industries constitute an important segment of the provincial economy and employ about 7 percent of the province's workers. The total cut from British Columbia's forests during 1986 was 77.5 million cubic metres with the following species distribution: Lodgepole Pine, 23.9 percent; Spruce, 23.6 percent; Hemlock, 16.4 percent; True Firs, 12.6 percent; Douglas Fir, 10.8 percent; Cedar, 10.3 percent; and other species, 2.4 percent.

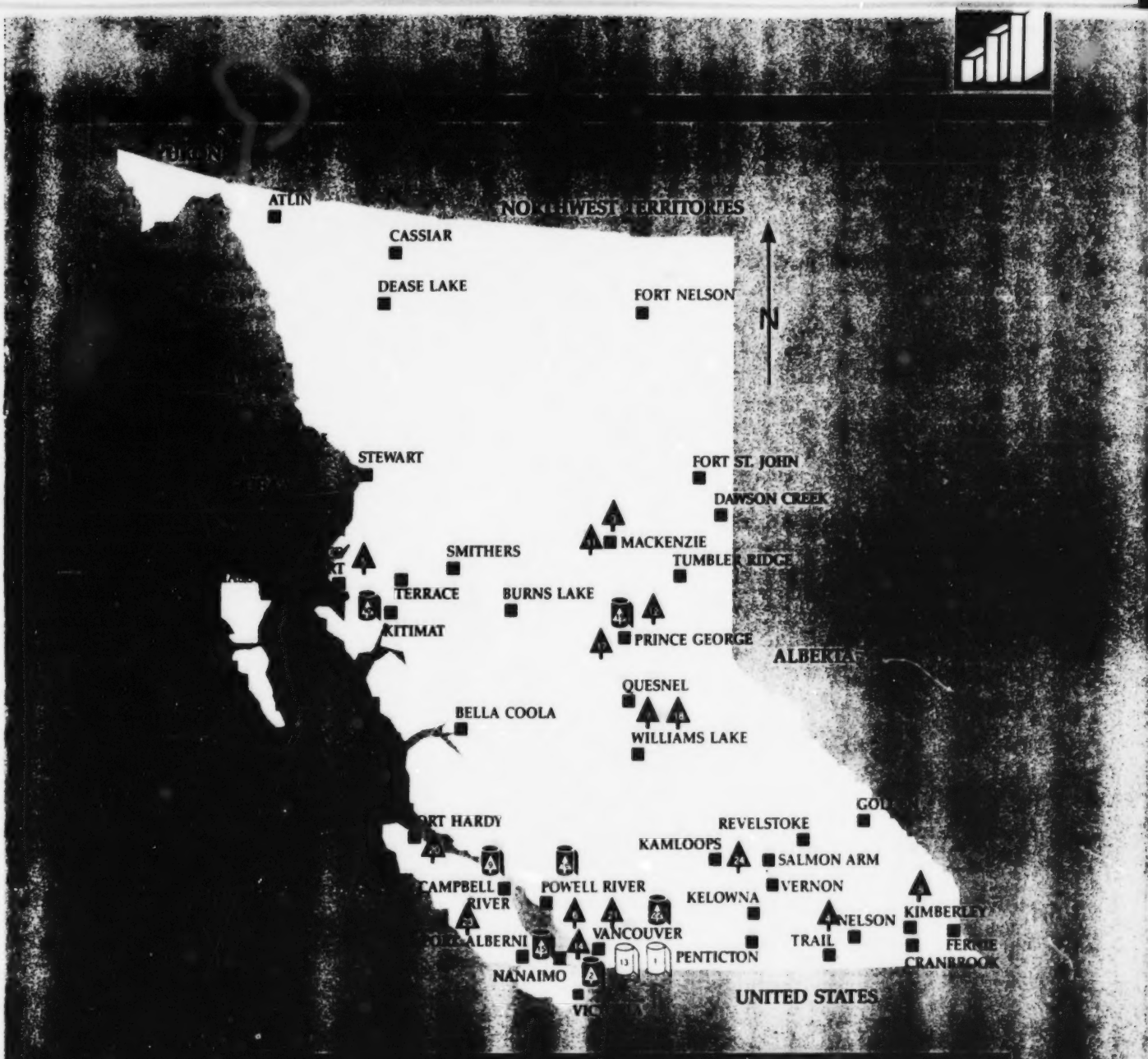
Of all manufacturing industries in the province, the Wood Industries (including saw and planing mills and plywood plants) rank first in terms of value of production, followed by Paper and Allied Industries. In 1986, British Columbia produced 61 percent of all softwood lumber manufactured in Canada, 84 percent of the softwood plywood, 29 percent of the pulp, and 17 percent of the paper. The total value of shipments of British Columbia's forest-based industries reached an estimated $9.3 billion in 1986. The following table details the production of major forest products in British Columbia from 1981 to 1986:

British Columbia exported $7.0 billion worth of forest products during 1986. The United States absorbed 56.7 percent; the European Economic Community, 16.0 percent; Japan, 16.2 percent; and other countries, 11.1 percent. The most important forest products exports were, in order of value: lumber, $3.03 billion; wood pulp, $1.98 billion; and newsprint paper, $881 million.

Production of Major Forest Products in British Columbia

Product	1981	1982	1983	1984	1985	1986
Timber (logs) (000 cubic metres)	61,818	56,230	71,443	74,556	76,868	77,503
Lumber (000 cubic metres)	24,547	23,406	30,773	30,884	33,044	31,468
Plywood (000 cubic metres)	1,702	1,430	1,763	1,552	1,641	1,535
Pulp[1] (000 tonnes)	4,995	4,938	5,572	5,189	5,849	6,173
Paper/Paperboard[1] (000 tonnes)	1,926	1,858	2,158	2,085	2,500	2,601

Sources: Ministry of Forests, Statistics Canada, and Canadian Pulp and Paper Association
[1]1981 to 1982 figures from Statistics Canada, 1983-1986 figures from Canadian Pulp and Paper Association.



Pulp and Paper Mills

▲ PULP PULP AND PAPER PAPER

1. Belkin Paperboard Limited, Burnaby
2. British Columbia Forest Products Limited, Crofton
3. British Columbia Forest Products Limited, Mackenzie
4. Celgar Pulp Ltd., Castlegar
5. Skeena Cellulose Inc., Prince Rupert
6. Canadian Forest Products Limited, Port Mellon
7. Cariboo Pulp and Paper Ltd., Quesnel
8. Crestbrook Pulp and Paper Ltd., Skookumchuk
9. Crown Forest Industries Ltd., Duncan Bay (Elk Falls)
10. Eurocan Pulp and Paper Co. Ltd., Kitimat
11. Finlay Forest Industries Ltd., Mackenzie
12. Intercontinental Pulp Ltd., Prince George
13. Island Paper Mills Ltd., Annacis Island
14. MacMillan Bloedel Limited, Harmac
15. MacMillan Bloedel Limited, Port Alberni
16. MacMillan Bloedel Limited, Powell River
17. Northwood Pulp and Timber Ltd., Prince George
18. Quesnel River Pulp Co. Ltd., Quesnel
19. Prince George Pulp and Paper Limited, Prince George
20. Western Pulp Ltd., Port Alice
21. Western Pulp Ltd., Squamish (Woodfibre)
22. Scott Paper Ltd., New Westminster
23. CIP Inc., Gold River
24. Weyerhaeuser Canada Ltd., Kamloops

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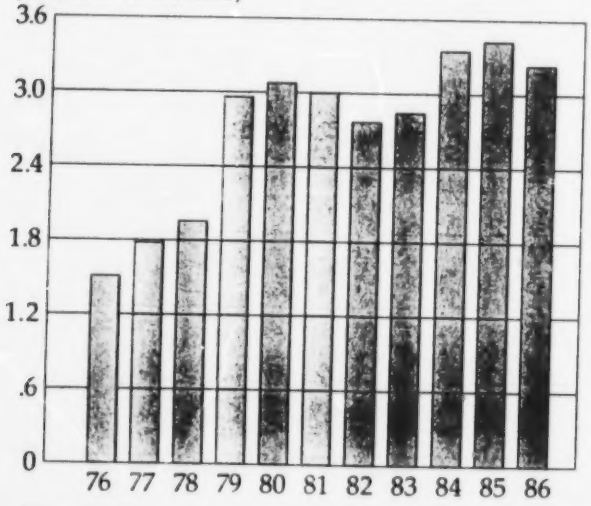
MINING AND PETROLEUM INDUSTRIES

■ Total value of mineral production, including oil and natural gas, was $3.2 billion in 1986, with the value of coal production $0.9 billion, copper production $629 million, and petroleum and natural gas production $778 million. The 1987 estimate is $3.4 billion.

A considerable part of British Columbia lies within the Canadian Cordillera, a region acknowledged to contain a wide variety of minerals. Despite recent setbacks which are a reflection of soft world-wide markets, the mineral industry over the past two decades has expanded impressively. This is largely a result of new technological advances in exploration and mining, better transportation, and the development of new foreign markets. Production in 1986 was valued at an estimated $3,218.1 million.

Mineral Production

(Billions of Dollars)



The Sullivan mine at Kimberley for many decades overshadowed other developments in the province and still remains one of the world's most important sources of lead and zinc. Concentrates are processed at Trail, the site of one of the largest lead-zinc smelters in the world.

Many outstanding new copper, molybdenum, and other properties have been developed in the province in the past two decades. Notable among these are: Afton, Brenda, Endako, Valley Copper, Island Copper, Westmin, Equity Silver, Lornex, Gibraltar, Noranda (Bell), Highmont, and Similkameen (although some may be closed temporarily at the time of writing). The Lornex mine, located in the Highland Valley near Kamloops, was one of the largest metal mines in the world, with a daily rated capacity of 78,000 tonnes of ore. In 1987 it was expanded and integrated with Cominco's Bethlehem mill in a joint venture known as Valley Copper; capacity is 120,000 tonnes per day in the combined operation. In the recent past there has been a renewed interest in gold and silver, and a substantial number of smaller precious metal properties are now in production or under development. The following table details the value of mineral production in British Columbia from 1983 to 1986:

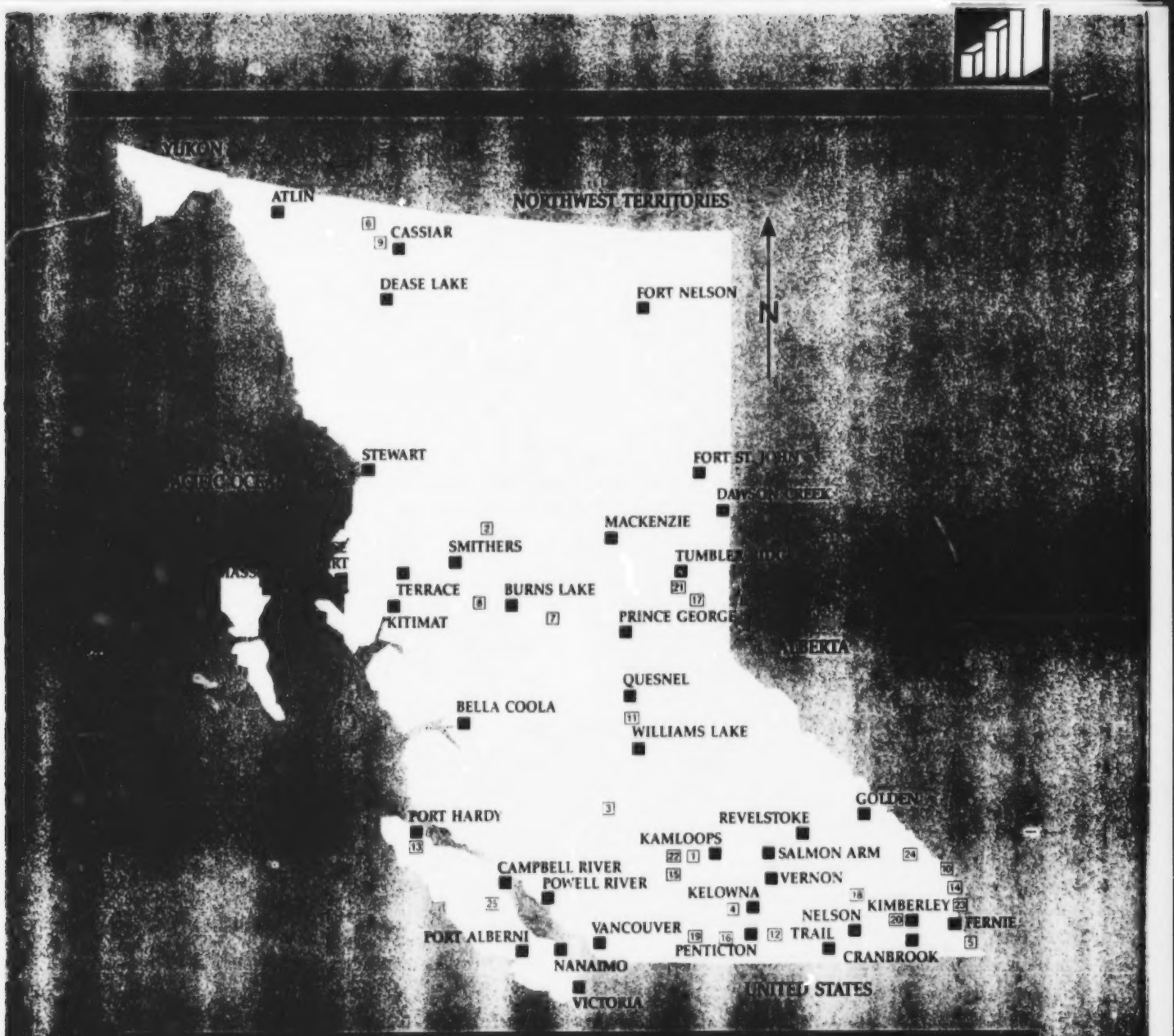
Mining and Petroleum Production in British Columbia

(Millions of Dollars)

	1983	1984	1985	1986
Metals				
Copper	561	515	580	629
Silver	180	122	93	95
Gold - placer and lode	131	119	94	155
Zinc	80	113	113	138
Molybdenum	88	108	72	93
Lead	49	37	42	38
Others	18	13	13	9
Total Metals	**1,106**	**1,027**	**1,007**	**1,157**
Industrial Minerals				
Asbestos	53	88	57	40
Sulphur	25	31	43	83
Others	11	13	11	12
Total Industrial Minerals	**89**	**133**	**111**	**134**
Structural Materials				
Cement	71	95	75	76
Sand and gravel	100	88	117	105
Others	37	36	41	33
Total Structural Materials	**208**	**219**	**233**	**215**
Coal				
Coal sold or used	556	912	1,028	935
Petroleum and Natural Gas				
Natural gas to pipe-line	455	516	575	486
Crude oil	402	434	428	230
Others	42	45	47	61
Total Petroleum & Natural Gas	**899**	**994**	**1,050**	**778**
GRAND TOTAL	**2,859**	**3,285**	**3,428**	**3,218**

Source: Ministry of Energy, Mines and Petroleum Resources

Copper, with a value of $629 million, was the most important metal by value in 1986, followed by gold at $155 million, and zinc at $138 million. Molybdenum had been the second most impor-



Mineral Industry Principal Operating Mines, 1987

Mill Capacity
- □ Over 4500 tonnes per day
- □ Under 4500 tonnes per day

SCALE
0 100 200
Kilometres

1. **Afton** (Copper), Babine Lake
2. **Bell** (Copper), Babine Lake
3. **Blackdome** (Gold, Silver), Lillooet
4. **Brenda** (Copper, Molybdenum), Peachland
5. **Byron Creek** (Coal), Corbin
6. **Cassiar** (Asbestos), Cassiar
7. **Endako** (Molybdenum), Fraser Lake
8. **Equity** (Gold, Silver, Copper), Houston
9. **Erickson** (Gold), Cassiar
10. **Fording** (Coal), Elkford
11. **Gibraltar** (Copper), McLeese Lake
12. **Highland Bell** (Silver, Lead, Zinc), Beaverdell
13. **Island Copper** (Copper, Molybdenum) Port Hardy
14. **Line Creek** (Coal), Sparwood
15. **Lornex** (Copper, Molybdenum), Highland Valley
16. **Nickel Plate** (Gold), Hedley
17. **Quintette** (Coal), Tumbler Ridge
18. **Silmonac** (Silver, Lead, Zinc), New Denver
19. **Similkameen** (Copper), Princeton
20. **Sullivan** (Silver, Lead, Zinc), Kimberley
21. **Teck Bullmoose** (Coal), Tumbler Ridge
22. **Valley Copper** (Copper), Highland Valley
23. **Westar Mining** (Coal), Sparwood
24. **Western Gypsum** (Gypsum), Windermere
25. **Westmin** (Myra Lynx) (Silver, Lead, Zinc, Copper), Buttle Lake

YUKON
ATLIN
NORTHWEST TERRITORIES
CASSIAR
DEASE LAKE
FORT NELSON
N
STEWART
FORT ST. JOHN
DAWSON CREEK
MACKENZIE
SMITHERS
TERRACE
TUMBLER RIDGE
BURNS LAKE
KITIMAT
PRINCE GEORGE
ALBERTA
BELLA COOLA
QUESNEL
WILLIAMS LAKE
PORT HARDY
GOLDEN
REVELSTOKE
CAMPBELL RIVER
KAMLOOPS
SALMON ARM
POWELL RIVER
VERNON
KELOWNA
KIMBERLEY
NELSON
FERNIE
PORT ALBERNI
VANCOUVER
PENTICTON
TRAIL
CRANBROOK
NANAIMO
VICTORIA
UNITED STATES
Pipelines 1988
Main areas of oil and gas production
Oil Pipelines
Natural Gas Pipelines
SCALE
0 100 200
Kilometres

tant metal until a dramatic fall in price in 1982 forced a number of producers to close, at least temporarily. The five major metals—copper, silver, gold, zinc and molybdenum—represented 34 percent of the total value of mineral production in the province during 1986.

Exploration continues throughout the province, with particular emphasis in the Northwest (Stewart, Cassiar and Toodoggone areas), the Cariboo, southern Chilcotin, Adams Lake, Similkameen, and the Kootenays. Most of the recent exploration has been directed toward discovery and delineation of high-grade polymetallic deposits, including silver, gold, and zinc. Mining development and exploration was stimulated by rising commodity prices and a favourable currency exchange rate until the world-wide economic downturn of the early 1980s adversely affected the industry. However, the level of prospecting work has remained active, with emphasis on those minerals with good demand prospects.

INDUSTRIAL MINERALS

Although they typically account for less than 5 percent of total provincial output, industrial minerals make a substantial contribution to the communities in which they are produced. Cassiar Mining Corporation's asbestos mine is the sole producer of that unique mineral in western Canada. Sulphur is obtained from natural gas cleaning plants at Fort Nelson, Taylor (near Fort St. John) and Chetwynd.

COAL

Coal is now the most valuable mineral produced in British Columbia. The value of coal production jumped 64 percent in 1984 from the previous year as two new mines recorded their first full year of production. Metallurgical coal is currently being mined and exported, primarily to Japan, by three major producers in the East Kootenay-Crowsnest coalfield: Westar Mining (Balmer, Greenhills), Fording Coal Limited (Elk River), and Crows Nest Resources (Line Creek). Farther south, Byron Creek Collieries, which produces thermal coal under contract to Ontario Hydro as well as exporting to foreign markets, is capable of 3.6 million tonnes per year when markets improve. The Line Creek and Greenhills mines, which commenced thermal coal exports in 1982, began shipping coking coal in 1983. Rio Algom Mines Limited (Sage Creek) and Elco Mining Limited (Elco) are at an advanced state of exploration but development is not expected to occur until markets strengthen. Both production and prices have declined recently in line with production cutbacks in the Japanese steel industry.

Two major projects in the Northeast or Peace River coalfields came into production on schedule late in 1983. These are the Teck Corporation (Bullmoose), and Denison Mines Limited (Quintette) properties. The area contains numerous other coal deposits that are candidates for production when demand for coal rises. An estimated $2.5 billion was invested in the Northeast project by the private and public sectors to develop the mine sites and the necessary infrastructure, making this the largest industrial undertaking in the province's history.

In addition to the vast coal resources of the Northeast and Southeast, there is considerable interest in the coalfields of the Northwest and Vancouver Island. The Quinsam Coal project near Campbell River has received approval to proceed and thermal markets are now being sought. In the Northwest, Crows Nest Resources has proposed a thermal coal mine near Smithers, and Gulf Resources is well advanced in investigating the feasibility of establishing a major anthracite mine in the Mt. Klappan area (northeast of Stewart). Both projects await regulatory approval and sales contracts.

OIL AND NATURAL GAS

The northeastern part of British Columbia is an extension of the Great Plains of North America and is the only sedimentary area of the province that is currently producing oil and gas. As of December 31, 1986, established reserves of crude oil were 19.0 million cubic metres, with raw gas reserves placed at 278 billion cubic metres. Commercial petroleum production in the province was not significant until the main gas and oil transmission lines were completed between the Peace River district and the Lower Mainland in 1957 and 1961 respectively.

Westcoast Transmission Company's gas pipeline from the Peace River District to the Lower Mainland was started in November 1955 and completed in October 1957. The initial gas-gathering systems were built at the same time and have since been extended markedly, until now more than 12,000 kilometres of gathering and distribution line are in use in the province. Following discovery of prolific gas reserves in the Fort Nelson area, additional line was laid from Fort Nelson to join the original line at Chetwynd. Pipelines have been extended to serve the Cariboo, Okanagan, east and

west Kootenays, and communities from Prince George to Prince Rupert. Condensate, butane, and propane are extracted from a gas cleaning plant located at Taylor (southeast of Fort St. John). The feasibility of extending natural gas service to Vancouver Island is currently under study.

British Columbia is self-sufficient in all energy sources except oil, more than three-quarters of which is imported, mainly from Alberta. There are two main crude oil gathering systems in the province. One collects oil from the several fields situated north and east of Fort St. John; the other serves the Aitken Creek, Blueberry and Inga fields northwest of Fort St. John. Both lines deliver crude oil to the terminal facilities at Taylor. Although some oil is refined at plants in Taylor and Prince George, most is transported in Westcoast Petroleum Limited's pipeline to Kamloops and then on to Vancouver area refineries via the Trans-Mountain Pipeline from Alberta. There are approximately 2,100 kilometres of crude oil trunk and gathering lines in the province. A recent discovery of oil in the Desan area east of Fort Nelson may require a substantial addition to the pipeline network if reserves prove to be sufficiently large. Currently, the development of the Desan field has been curtailed because of weak markets.

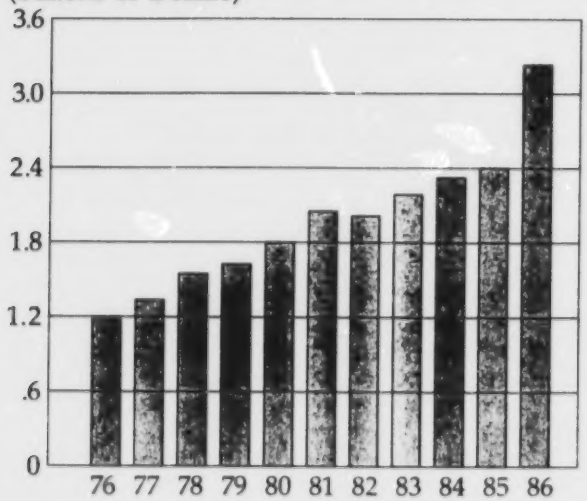
All facets of the oil and gas industry were severely affected by the sharp drop in energy demand resulting from OPEC pricing policies and the world-wide recession of the early 1980s. On March 28, 1985 the governments of Canada, Alberta, Saskatchewan and British Columbia announced that they had reached a comprehensive agreement designed to revitalize the petroleum industry in Canada. The agreement, the Western Accord, has replaced the National Energy Program. It provides for oil pricing and trade deregulation, and the dismantling of the complex system of taxes and incentive programs previously in place. Subsequently, the producing provinces and the federal government reached agreement October 31, 1985, on the pricing and deregulation of natural gas. This agreement also provides access to Alberta's pipeline systems, opening the way for movement of B.C. gas to markets in eastern Canada and in all parts of the United States. British Columbia's natural gas supplies are well in excess of current domestic demand and offer significant opportunities for large-scale production of methanol, ammonia-urea and other petrochemical, as well as additional exports of natural gas via pipeline or in liquid form.

TOURISM AND RECREATION

- Tourism revenue in 1986 was approximately $3.24 billion.
- An estimated 15.0 million persons visited or toured British Columbia in 1986.
- British Columbia has over 5 million hectares of park land.

In 1986, tourism revenues in British Columbia were estimated to be $3,242 million. The growth in revenue from 1976 to 1986 is shown in the graph below:

Tourism Revenue
(Billions of Dollars)



An estimated 15.0 million persons visited or toured British Columbia in 1986. British Columbia residents accounted for 42 percent of all travellers in the province, other Canadians 23 percent, U.S. travellers 31 percent, and offshore residents 4 percent. Non-resident tourists spent $1.9 billion. Offshore residents touring in British Columbia had a larger economic impact in relation to their per trip expenditure, which was almost twice the overall average for all visitors.

More than half of total provincial tourism expenditures accrued to the Lower Mainland and Vancouver Island regions. However, excellent transportation infrastructure has aided the expansion of tourism activity in all parts of the province. The highway and ferry system facilitates vehicular travel throughout British Columbia and gives visitors ample opportunity to savour the natural beauty of the landscape.

The British Columbia Ferry Corporation operates one of the largest ferry fleets in the world. As of March 1987, the fleet of 38 vessels operating on 26 routes had a load capacity of approximately 5,000 cars and 24,500 passengers with service provided between the Lower Mainland, Vancouver Island, the Gulf Islands and the Sunshine Coast-Powell River area. There are also routes between Prince Rupert and Port Hardy, and Prince Rupert and Skidegate on the Queen Charlotte Islands. The fleet carried 15.5 million passengers and 5.7 million vehicles during the year ended March 31, 1987. The Ferry Corporation took over operation of all salt water ferry routes formerly served by the Ministry of Transportation and Highways in 1985.

Vancouver International Airport is the western Canadian hub for international air transportation. There is scheduled air service to most cities in the province. Charter services operate a wide variety of wheeled, float-equipped, and ski-equipped aircraft. Two rail services, B.C. Rail and Via Rail, offer passenger services to many British Columbia communities as well as out-of-province destinations.

Numerous first-class accommodations complement the highway network. There are approximately 2,300 accommodation establishments supplying over 90,000 units registered with the Ministry of Tourism, Recreation and Culture. Provincial parks provide approximately 11,000 campsites in support of outdoor recreation activity.

British Columbia Tourism Statistics, 1986

Area of Origin	Revenues		Visitors		Average Length of Stay	Expenditure Per Trip
	$millions	percent	thousands	percent	days	$
B.C. Residents	1,280	40.0	6,290	42.0	4.0	204
Non-Residents Canadian	856	26.0	3,512	23.0	6.8	244
United States	834	26.0	4,670	31.0	4.2	179
Overseas	270	8.0	560	4.0	10.0	465
All Origins	**3,242**	**100.0**	**15,000**	**100.0**	**6.25**	**273**

Source: Ministry of Tourism, Recreation and Culture.

British Columbia is richly endowed with provincial and national parks which preserve and protect outstanding examples of the province's natural and human history. They also provide almost unlimited opportunity for outdoor recreation. As of September 15, 1987, the province managed 329 parks (4,061,853 hectares), 50 recreation areas (1,163,711 hectares), one wilderness conservancy (131,523 hectares), for a total of 5,357,087 hectares. There are also five national parks (Kootenay, Glacier, Yoho, Pacific Rim, and Mount Revelstoke) within British Columbia with a total area of 466,000 hectares and three national historic parks (Fort Langley, Fort Rodd Hill, Fort St. James).

During 1986 an estimated 17,457,981 visits were made to provincial parks, of which 2,028,637 were by overnight campers. Provincial parks range from wilderness areas, where natural conditions are preserved as much as possible, to main highway camping and picnic sites.

British Columbia provides hunters and fishermen with extensive recreational opportunities. In the 1986/87 fiscal year 133,967 hunting licences and 374,771 freshwater angling licences were issued in the province. Excellent year-round salt as well as fresh water fishing is available in British Columbia. Chinook and coho salmon are the chief salt water sports fish, although in recent years recreational fishermen have learned to catch pink and sockeye salmon as well. Salmon are found in all coastal waters and in most rivers during spawning runs. The Kamloops or rainbow trout is the most important fresh water sports fish and can be found throughout the Interior. While an average Kamloops trout weighs about 0.7 kg, the largest are caught in major lakes including Quesnel, Shuswap, and Kootenay Lake. The steelhead, a sea-going rainbow trout, is another important game fish in rivers and streams.

British Columbia provides hunters with a wide variety of quarry ranging from upland birds to big game. The most widely hunted upland game birds are grouse and pheasant while duck shooting is the most popular waterfowl sport. The most hunted of the larger game are moose and deer but other big game species hunted include elk, caribou, black and grizzly bear, bighorn and thinhorn sheep, and mountain goats.

Every outdoor pursuit a person could desire is available within the province. In addition to hunting and fishing, hiking, mountain climbing, golfing, yachting, sailing, rafting, bird-watching and skiing are just some of the popular activities possible through the year. Both alpine and cross-country skiing are growing in popularity every year and new trails, lifts, lodges and related facilities are now found in virtually every corner of British Columbia. The largest of those resort developments are considered to be world-class in terms of both skiing facilities and accommodations, and they are attracting growing numbers of out-of-province visitors each year.

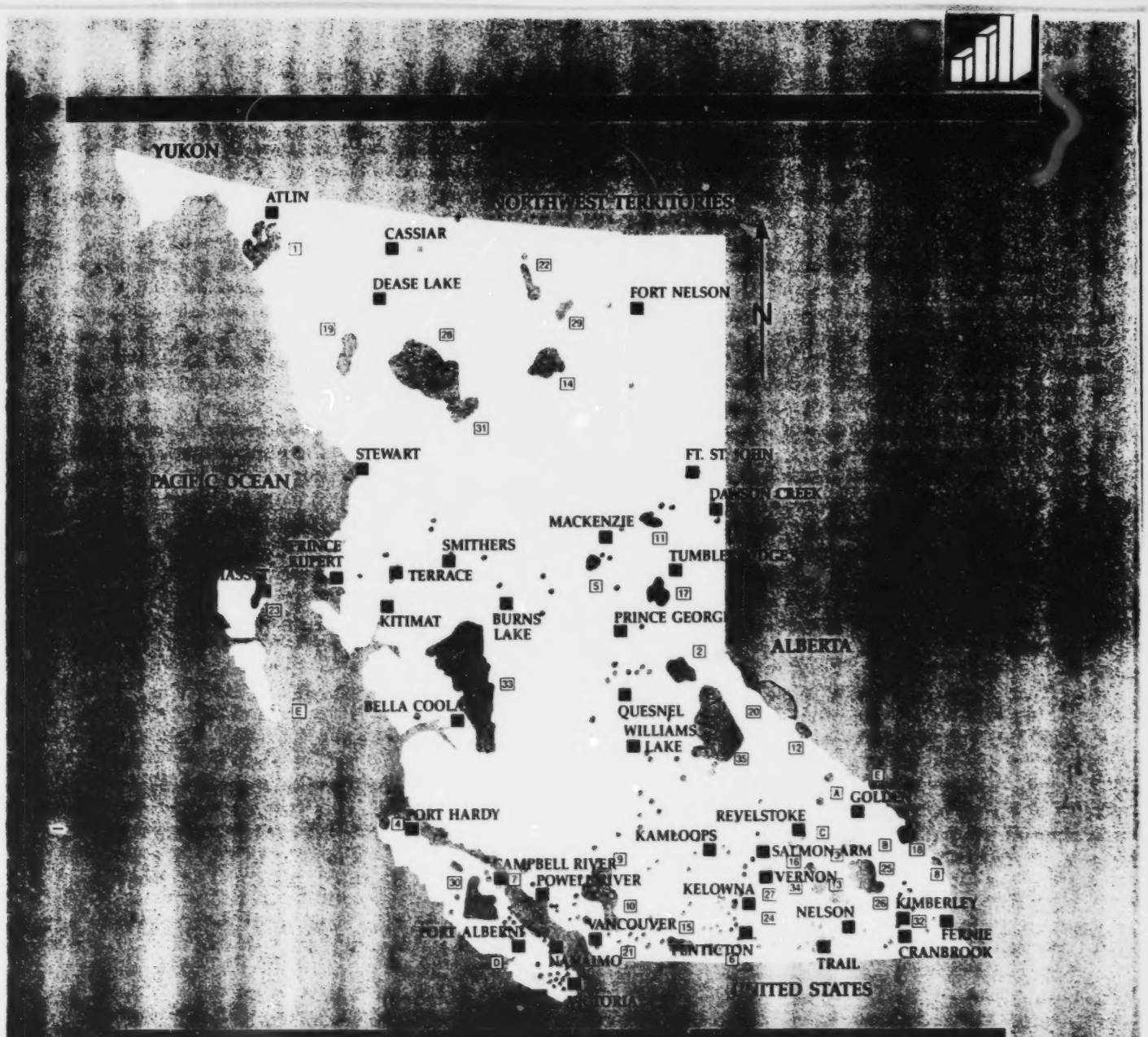
Despite British Columbia's obvious natural attractions, there is no shortage of urban or cultural delights. Art galleries, theatres and nightclubs provide for the performing and visual arts. There are also amusement parks, and numerous facilities offering a full schedule of horse racing, football, hockey, baseball and other sports, plus many special events.

The history of British Columbia is peopled by native Indians, fur traders and gold prospectors, colonial governors, and immigrants from far-away places. The more than 40 places officially designated as historic parks and sites in the province are a tribute to this history.

Prehistoric Indian petroglyph rock carvings, fur trading posts, the 1860 gold rush town of Barkerville, heritage buildings in various communities and historic trails from the 19th century and earlier are part of the province's historic resources being preserved or accurately restored to their period status. Vancouver's turn-of-the-century Gastown-Chinatown area is an historic showpiece. Restored brick buildings house fashionable boutiques and curio shops in Gastown; while in Chinatown, the second largest Chinese community in North America, a way of life exported from the Orient can be seen.

Almost every city and town in British Columbia has a museum that depicts the history, archaeology, and pioneer life of the area and the province. The Provincial Museum, Victoria, exhibits historical reconstructions, Indian ethnology, archaeology, and botanical and zoological displays. Other highlights include: the Centennial Museum, H.R. MacMillan Planetarium, Museum of Anthropology, and the Maritime Museum in Vancouver; exhibits on mining and tours through once-working mines at Britannia and Rossland; the Kootenay Doukhobor Historical Museum, Castlegar; the British Columbia Forest Museum, near Duncan; and the O'Keefe Ranch Museum, Vernon.

Since the late 1970s, the governments of Canada and British Columbia have made a concerted effort to stimulate the development of tourism attractions and facilities. In particular, the private sector has benefited from programs designed to encourage construction of high quality multi-



British Columbia

PROVINCIAL PARKS

1. Atlin
2. Bowron Lake
3. Bugaboo Alpine Recreation Area
4. Cape Scott
5. Carp Lake
6. Cathedral
7. Desolation Sound Marine Park
8. Elk Lakes
9. Garibaldi
10. Golden Ears
11. Gwillim Lake
12. Hamber
13. Kokanee Glacier
14. Kwadacha
15. Manning
16. Monashee
17. Monkman
18. Mount Assiniboine
19. Mount Edziza
20. Mount Robson
21. Mount Seymour
22. Muncho Lake
23. Naikoon
24. Okanagan Mountain
25. Purcell Wilderness Conservancy
26. St. Mary's Alpine
27. Silver Star
28. Spatsizi Plateau
29. Stone Mountain
30. Strathcona
31. Tatlatui
32. Top of the World Park
33. Tweedsmuir
34. Valhalla
35. Wells Gray

NATIONAL PARKS

A. Glacier
B. Kootenay
C. Mount Revelstoke
D. Pacific Rim
E. South Moresby
F. Yoho

SCALE

0 100 200

Kilometres

season destinations resort facilities, a number of which are now in place. Continuation of this support was assured in August 1985 when a new $30 million, 5-year cost-sharing Tourism Development Agreement was signed. In addition to providing assistance for the development of destination resorts, events, attractions and related facilities, the agreement will fund research, training and international marketing endeavours.

For a period of 165 days, from May 2 to October 13, 1986, British Columbia hosted the major Canadian tourist attraction of the decade—Expo 86—The 1986 World Exposition on Transportation and Communication.

The exposition site comprised 70 hectares (173 acres) of waterfront on two downtown Vancouver sites. The main site was situated on the shores of False Creek. Two kilometres (1.2 miles) away, on Vancouver's spectacular harbour, is Canada Place which housed the Canadian government host pavilion. The two sites were linked by SkyTrain, Vancouver's state-of-the-art rapid transit system.

Expo's total budget was $802 million which was financed largely by its own revenue and by a special lottery. Forty-five international participants were represented on site at Expo 86, as were 31 corporations, 7 Canadian provinces, and 2 territories, and 3 U.S. states.

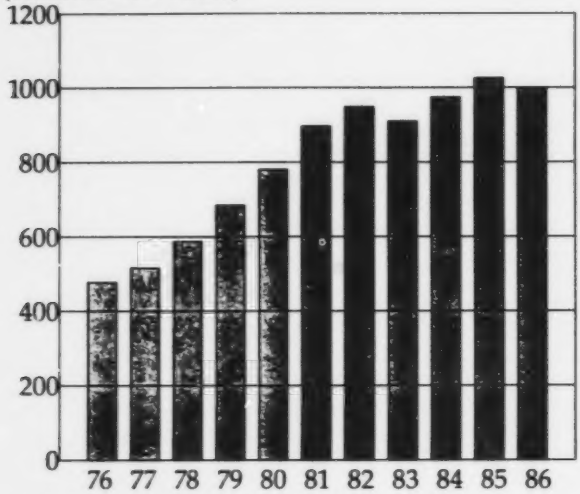
Expo created permanent legacy assets of $84 million in the form of the Roundhouse, the Expo Centre, the B.C. Pavilion and site improvements to B.C. Place.

AGRICULTURE

■ Cash receipts from 1986 farming operations were an estimated $1,003 million.

Agriculture is the province's third largest resource industry, behind forestry and mining. British Columbia ranks sixth among the provinces in farm cash receipts and fourth in the value of food processing activities. Farming operations cash receipts totalled $1,003 million in 1986 compared to $1,026 million in 1985. The most important sections in the agricultural economy of British Columbia are dairying and the production of livestock and related products. British Columbia's dairy herds are the most productive in Canada and British Columbia beef and dairy cattle are widely sought for breeding stock. The following graph displays the growth of farm cash receipts in British Columbia from 1976 to 1986:

Farm Cash Receipts
(Millions of Dollars)



Agriculture in British Columbia is distinguished by its diversity. Virtually all Canadian agricultural products can be found in the province. Some of the specialized activities carried out by British Columbia's farmers include: dairying, cattle-ranching, poultry-raising, and the growing of tree fruits, vegetables, berries, grapes, bulbs, and ornamental shrubs. Mixed livestock-crop farming complements this specialization and is found throughout the province.

Out of a total provincial land area of 893,766 square kilometres, 4.0 percent is arable or potentially arable and 16.5 percent has agricultural capability. The 1986 census of agriculture listed 19,063 farms (with sales of $250 or more) covering a total area of 2,411,060 hectares. Improved farmland accounts for 900,270 hectares and unimproved farmland, 1,510,752 hectares. "Commercial" farms, defined as those with annual sales of $2,500 or more, numbered 13,699.

Large dairy herds are concentrated in the lower Fraser Valley, southeastern Vancouver Island, and north Okanagan-Shuswap areas. Lesser concentrations are found near Creston, Smithers, Vanderhoof, and Prince George. Cattle ranching is carried out primarily on the open or forested range lands of the Cariboo, Chilcotin, Princeton-Kamloops-Lytton, Okanagan, and Kootenay areas. The Peace River district and the area from Smithers to Prince George also support beef cattle enterprises and have witnessed extremely rapid expansion in the past two decades. The climate and soils of the southern Interior valleys, principally the Okanagan, admirably suit the production of tree fruits, grapes, and other heat-loving crops under irrigation. The cooler and wetter climate of the lower Fraser Valley favours berry crops and vegetables. Most of the province's grain, oilseeds, and forage seeds grow in the Peace River country. Grains are also important in the Creston area in the Central Kootenay district.

The raising of greenhouse crops, bulbs, mushrooms, poultry and egg production, and other specialties remains centered near Greater Vancouver and Victoria, although there has been a gradual shift in this type of activity to the central and southern Interior following the rapid growth of those regions.

British Columbia produces a large proportion of Canadian output of a number of commodities including tree fruits, mushrooms, and floriculture and nursery products. Horticultural products in particular are important in the province's export trade.

British Columbia contains an estimated 7.4 million hectares of open and forested grazing land in addition to farm land. Over 2 million hectares are held privately or otherwise alienated from the Crown. The balance is Crown range, most in use as common grazing land. The allocation of Crown range is tied to improved ranch properties under private ownership. In addition to natural grazing land, a number of community pastures have been developed under the auspices of the Agricultural and Rural Development Act. These pastures are located primarily in the Peace River and northern Interior districts. Government programs have emphasized improvements to range and hay land in order to produce more forage to support a larger cattle population.

In 1986, establishments engaged in food manufacturing (excluding fish products and beverages) had shipments of $2.7 billion. The leading processors include: meat and poultry products; dairy products; and fruit and vegetable processing.

The Okanagan Valley, famous for the production of tree fruits, especially apples, is also the centre of a grape-growing industry. Okanagan vineyards supply a significant proportion of local wineries' needs. Initial planting of hybrids were believed to be the only varieties able to withstand cold Okanagan winters. Success has now been achieved with traditional varieties grown in the great wine-producing areas of the world. The quality of British Columbia wines has improved greatly in recent years and is expected to continue improving as new plantings reach bearing age, and as new cottage wineries grow in number.

A trend toward larger farm operations was evident during the 1960s. People left the industry and small farms and ranches were consolidated to provide economies of scale. The pattern changed between 1971 and 1981, a period in which the industry attracted a large number of new entrants. However, as more than 90 percent of the arable land was already allocated, total farm acreage did not increase in proportion and the average size of census farms declined. The average size of a census farm remained relatively stable from 1981 to 1986. In 1986 the average size of a census farm was 127 hectares compared to 123 hectares in 1981. The size of farms varies throughout the different regions of the province. This reflects the differences in the types of agricultural activities that predominate in different parts of the province. Production increases have been, and will be, realized through intensive farm management and further clearing and improvement of existing acreages.

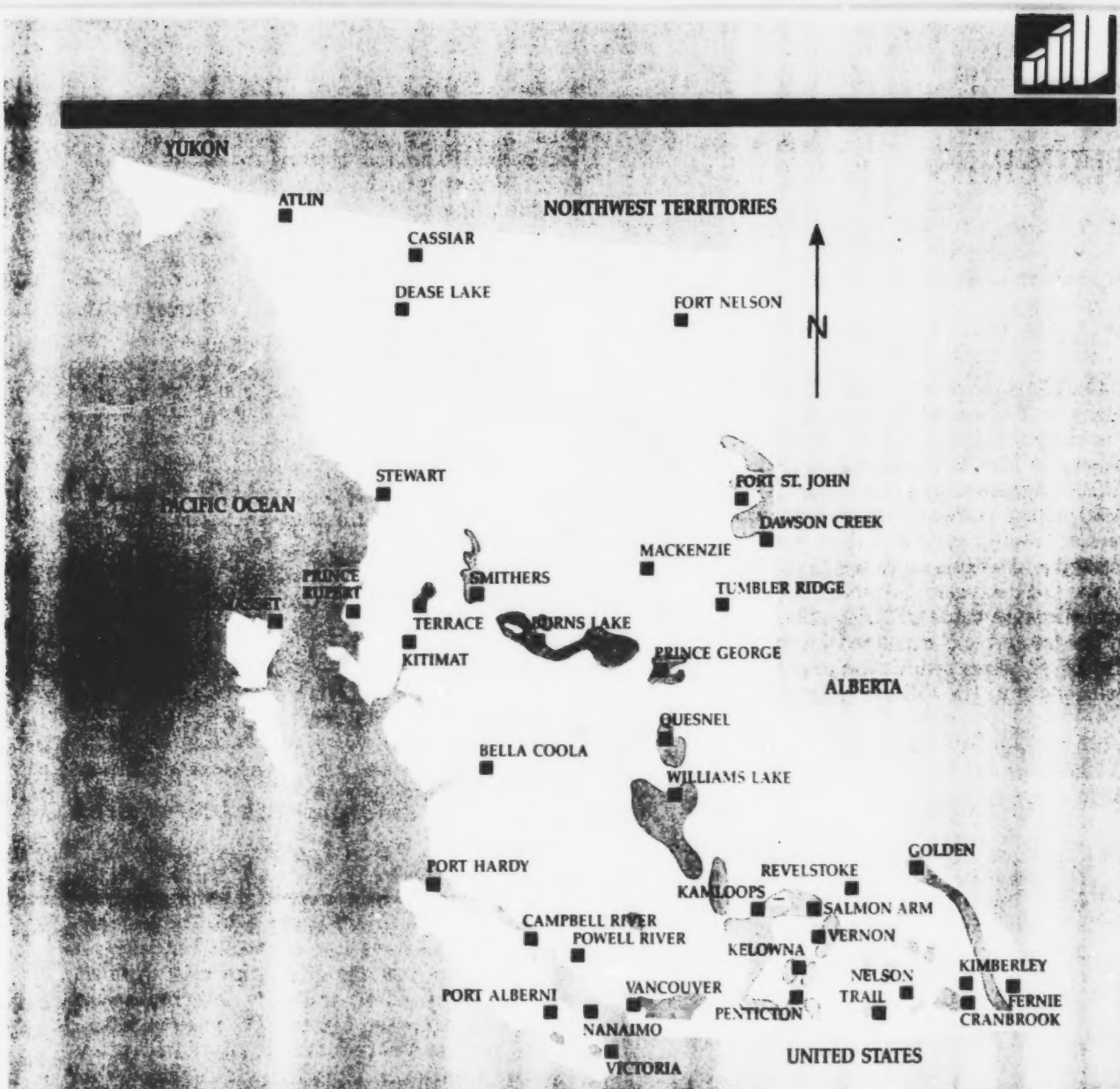
British Columbia and the federal government offer the agricultural sector programs designed to prevent loss of farm land to other uses and to increase farm incomes to levels sufficient to maintain the industry's viability. All arable soils in the province have been mapped and classified on the basis of quality. The best classes of soils have been placed within Agricultural Land Reserves (ALRs), to be maintained for agricultural purposes. Partly as a result of the ALRs, special measures were required to increase farm income, as many farmers expected to sell their land for non-farm purposes upon retirement to compensate them for low incomes. One such initiative is the Farm Income Insurance Program, the objective of which is to use insurance principles to provide farmers with greater income security in relation to the basic costs of production. Most producer groups are covered by this program. Other universal programs provide financial assistance in various forms for joint services (e.g., water and drainage systems) and improved management practices. The Ministry of Agriculture and Fisheries employs specialists who provide technical information to producers in the areas of horticulture, field crops, livestock, poultry, engineering, veterinary science, soil science, entemology, plant pathology, farm management, and dairying.

There has been a tradition of cooperation in agricultural development between the provincial and federal government for more than 20 years. In mid-1985, this cooperation was extended with the signing of a five year cost-shared Subsidiary Agreement on Agri-Food Regional Development. The Agreement, which may involve expenditures of $20 million by each government, is designed to increase output, expand employment opportunities, enhance the sector's competitiveness, and improve and conserve agricultural resources. Three broad program areas cover specific undertakings classified as productivity enhancement, resource development or commodity development.

Cash Receipts from Farming Operations in British Columbia (Millions of Dollars)

Product	1983	1984	1985	1986
Dairy products	217	228	235	232
Cattle	104	120	123	121
Poultry	77	88	92	102
Eggs	60	63	60	59
Hogs	46	47	47	55
Calves	22	29	27	37
Other livestock and products	23	23	22	21
Total livestock and products	**549**	**598**	**606**	**627**
Fruits	95	87	111	96
Vegetables	63	65	68	70
Floriculture and nursery	44	52	60	65
Wheat, oats and barley	35	31	25	15
Potatoes	18	22	22	22
Other crops	45	63	79	56
Total crops	**300**	**320**	**365**	**324**
Provincial Income Stabilization Program	28	27	21	14
Other cash receipts	18	25	34	38
Total cash receipts	**895**	**970**	**1,026**	**1,003**

Source: Statistics Canada, CANSIM


YUKON
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PACIFIC OCEAN
FORT ST. JOHN
DAWSON CREEK
MACKENZIE
PRINCE RUPERT
SMITHERS
TUMBLER RIDGE
TERRACE
BURNS LAKE
KITIMAT
PRINCE GEORGE
ALBERTA
QUESNEL
BELLA COOLA
WILLIAMS LAKE
GOLDEN
PORT HARDY
REVELSTOKE
KAMLOOPS
SALMON ARM
CAMPBELL RIVER
POWELL RIVER
VERNON
KELOWNA
KIMBERLEY
NELSON
PORT ALBERNI
VANCOUVER
TRAIL
FERNIE
PENTICTON
CRANBROOK
NANAIMO
VICTORIA
UNITED STATES
Agriculture
Main areas of arable land
Main range areas
SCALE
0 100 200
Kilometres

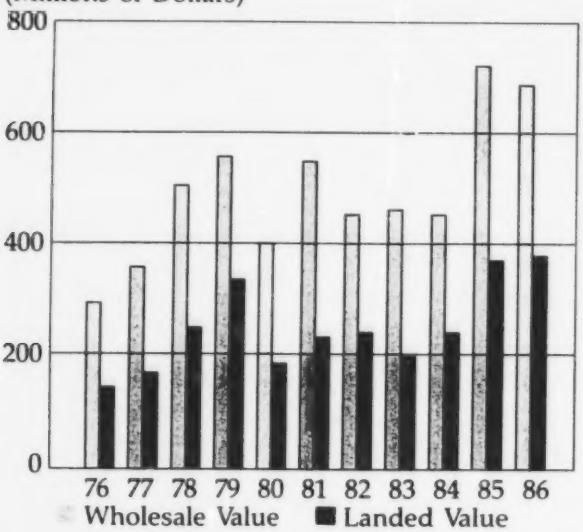
FISHERIES

- In 1986 the wholesale value of fisheries products was an estimated $759 million, with salmon products accounting for an estimated $537 million.
- Exports of fishery products totalled an estimated $583 million in 1986.

Over 20 species of fish and marine animals, indigenous to provincial waters, are valued for commercial utilization by British Columbia's fishing industry. In 1986, fish landings totalled an estimated 225,000 tonnes with an estimated landed value of $380 million. Salmon, as the most valuable species, has accounted for more than 60 percent of the landed and wholesale values of fisheries products in the last two years. Salmon landings in 1986 had an estimated value of $260 million.

The landed and marketed values of British Columbia fisheries production over the past decade are shown in the following graph:

Commercial Fishing
(Millions of Dollars)



The value of salmon exports in 1986 was distributed as follows: 55.5 percent frozen, 37.8 percent canned, 3.7 percent as roe, 1.7 percent fresh, and 1.3 percent smoked or pickled. The 1986 canned salmon pack totalled 1,852,873 48-pound cases.

The herring fishery is the second most valuable sector of British Columbia's fishing industry. Total herring landings in 1986 were estimated at 16,450 tonnes with an estimated landed value of $44 million. The wholesale value of the catch was an estimated $88 million. Herring are valued primarily for their eggs (roe) which are sold largely to the Japanese market.

The following table shows the value of the major species marketed from 1984 to 1986:

Wholesale Value of British Columbia Fish Landings (Millions of Dollars)

Species	1984	1985	1986[2]
Salmon	276.2	512.2	536.5
Herring	99.0	103.1	88.3
Halibut[1]	13.8	18.8	25.5
Grey Cod	7.0	3.6	5.5
Sablefish	8.8	14.9	11.9
Geoducks	5.6	6.8	7.1
Sole	4.9	5.2	5.9
Hake	5.3	3.1	5.3
Lingcod	3.9	8.9	7.2
Shrimp and Prawns	5.1	5.4	5.7
Crabs	5.6	5.9	6.1
Other Species	31.7	39.7	53.8
Total	**466.9**	**727.6**	**758.8**

Source: Ministry of Agriculture and Fisheries, Fisheries Production Statistics of British Columbia

[1] *Includes landings by Canadian Fishermen at U.S. ports for 1984 and 1985 only.*

[2] *Preliminary estimate.*

There were 19,461 commercial fishing licences issued in British Columbia in 1986. The industry also supports a large number of shoreworkers in fish processing plants and shipyards. Approximately one hundred and sixty companies with 150 plants processed fish in 1986. The processing sector continued to centralize at Prince Rupert and Greater Vancouver, although a number of small plants operate in coastal communities close to the fishing grounds. The number of licensed commercial fish vessels was 6,792 in 1986.

Federal and provincial authorities exercise control over the industry. The Federal Department of Fisheries and Oceans assumes responsibility for the protection and conservation of fisheries. The Aquaculture and Commercial Fisheries Branch of the provincial Ministry of Agriculture and Fisheries assumes control after the fish are caught and removed from the water.

The implementation of the Salmonid Enhancement Program is of long term significance to the fishing industry. This program is designed to substantially increase the stocks of Canada's Pacific salmon through the use of artificial spawning channels, streamflow and water temperature controls, hatcheries, incubation boxes and rearing

boxes, and the rehabilitation of natural spawning streams. The Salmonid Enhancement Program is expected to add about 19,000 tonnes to the annual catch by 1990.

The Pacific Salmon Treaty, which was signed by Canada and the United States in 1985, should allow Canada to pursue additional stock enhancement opportunities that were not practical before the salmon interception agreement was negotiated. The Treaty embodies the principle that each country will receive benefits equivalent to the production originating in its waters.

In British Columbia, a 7 million dollar aquaculture industry has developed. In August 1987, there were 361 active tenures held by 223 growers utilizing 1,532 hectares of foreshore. The trout farming sector consists of 142 commercial trout farmers. The salmon farming industry consisted of 123 tenures. The provincial government has implemented a number of initiatives to assist the industry. The Ministry of Agriculture and Fisheries has taken on the role of lead agency in coordinating the related policies and programs.

A Pacific Salmon Broodstock Evaluation Program which began in 1985 contributed its first eggs to the industry in 1987 with principal egg contributions available in 1988. A long term Pacific Salmon Broodstock Development Program commenced in 1987. Its aims are to make new genetic material available to salmon farmers, to develop strains specifically suited to farming and to make salmon farmers independent of federal government egg sources.

Disease control within the finfish industry is being assisted by the provincial veterinarian. A remote setting program is being conducted to increase the success of setting oysters for that industry. Several programs to provide financial assistance to potential aquaculturists are in place and new ones are being developed.

Although salmon aquaculture shows the largest potential gain over the next ten years, oysters, scallops, and other fish and shellfish also have significant expansion potential. Currently, oyster production makes up about 44 percent of British Columbia's sales of aquaculture products; salmon, 44 percent; and trout and other shellfish, 12 percent.

Exports of fish and marine animals contribute substantially to the provincial economy. The following table shows the distribution of fishery and marine product exports from 1984 to 1986:

British Columbia Exports of Fish Products

(Millions of Dollars)

Market Area	1984	1985	1986[2]
Japan	144.6	210.0	247.1
European Economic Community[1]	74.8	65.6	87.3
United States	66.1	83.7	99.6
United Kingdom	44.1	46.6	91.3
Australia and New Zealand	27.2	23.4	28.6
Others	13.7	19.9	28.8
Total	**370.6**	**449.2**	**582.7**

Source: Ministry of Economic Development, Estimates of B.C. Product Exports

[1]*Includes: Ireland, Denmark, Luxembourg, France, West Germany, Italy, Netherlands, Greece, Spain, Portugal*

[2]*British Columbia Origin Lading Exports*

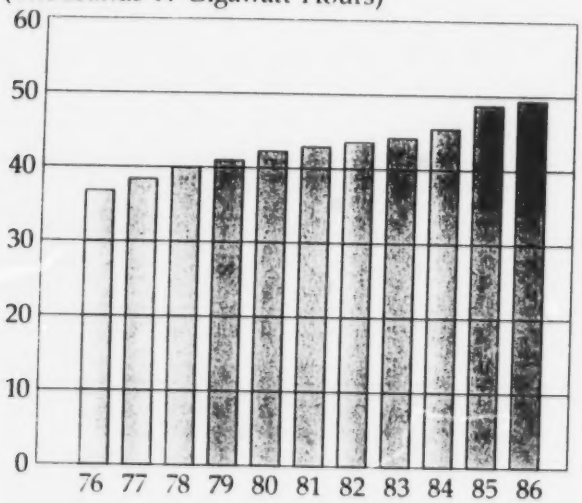
ELECTRIC POWER

- Power generation in 1986 was estimated at 50,759 gigawatt-hours.
- Existing plants (hydro and thermal) have a total capacity of 12.8 gigawatts.

Industrial and population growth in British Columbia over the past decade has been accompanied by an increase in demand for electric power. Average annual demand increased by 3.0 percent in the ten-year period 1976 to 1986.

Electricity Consumption

(Thousands of Gigawatt Hours)



Total installed generating capacity in the province at December 31, 1986 was 12.8 gigawatts, of which 87.5 percent was hydro-electric. However, hydro-electric plants provided 96 percent of electricity generated in 1986. The supply and disposal of electric energy in British Columbia from 1976 to 1986 is detailed in the following table.

ELECTRIC POWER

Most residential, commercial and industrial customers are supplied by two large public utilities, British Columbia Hydro and Power Authority and West Kootenay Power and Light Co. Ltd. Three smaller utilities serve limited markets. British Columbia Hydro is by far the largest operation, with 98.2 percent of the utilities' installed capacity and 84.1 percent of total provincial capacity. West Kootenay Power and Light was the public utility arm of Cominco Ltd. which developed a series of generating plants on the Kootenay River to supply its smelter complex at Trail and mine at Kimberley. Cominco recently disposed of its interest in West Kootenay Power but retained some generating facilities for its own needs. West Kootenay Power's service area now extends from Creston west to Princeton and north to Kelowna in the Okanagan Valley, with sales made directly or to municipal utilities for distribution. B.C. Hydro services the rest of the province, with most of the population on the provincial integrated system or grid. Diesel generating units are the main source of supply for isolated northern and coastal communities and areas of very low population density such as Cariboo-Chilcotin cattle ranching country.

Supply and Disposal of Electric Energy in British Columbia (gigawatt-hours)

	SUPPLY					DISPOSAL	
	Net Generation			Receipts From Other Provinces and Imports	Total Supply	Delivered to Other Provinces and Exports	Total Demand
Year	Hydro	Thermal	Total				
1976	36,986	1,974	**38,961**	1,200	**40,161**	3,305	**36,856**
1977	41,241	1,945	**43,185**	1,007	**44,192**	5,749	**38,444**
1978	40,615	1,898	**42,513**	1,522	**44,035**	3,933	**40,102**
1979	40,958	2,369	**43,327**	1,736	**45,063**	3,656	**41,407**
1980	40,860	2,556	**43,416**	2,823	**46,239**	3,450	**42,789**
1981	49,419	1,668	**51,087**	1,158	**52,245**	8,986	**43,258**
1982	46,126	2,236	**48,363**	2,307	**50,669**	6,613	**44,056**
1983	44,821	2,353	**47,174**	2,288	**49,462**	4,871	**44,591**
1984	50,243	2,126	**52,369**	1,556	**53,925**	8,313	**45,612**
1985	57,105	2,021	**59,126**	1,080	**60,206**	11,231	**48,975**
1986	48,923	1,836	**50,759**	3,345	**54,104**	4,709	**49,395**

Source: Statistics Canada, 57-001, 57-202

Industrial firms, primarily those in the forest and mining industries, have also developed their own power generation facilities and now account for almost 16 percent of installed capacity. The two largest firms together have just over 70 percent of total industrial capacity. Both operate smelters which require an assured supply of low cost power. Other industrial plants supply all or part of their electric power needs because they are in isolated locations and/or because large supplies of wood waste provide fuel for thermal generation.

CURRENT CONSTRUCTION AND RECENT HYDRO-ELECTRIC DEVELOPMENTS

The British Columbia Hydro and Power Authority recently completed a major hydro project near Revelstoke. Four generating units, with a combined nameplate generating capacity of 1.8 gigawatts, came into service in 1984 and 1985. The Revelstoke Dam, a concrete gravity dam, has an ultimate generating capacity of over 2.7 gigawatts, with the addition of two more units.

The Authority has also been engaged in construction activities to extend or strengthen British Columbia's transmission system. Major transmission components recently completed include a 500 kilovolt transmission line linking Vancouver Island to the mainland, a line between Kelly Lake and Nicola substations linking the Peace and Columbia River systems, an interprovincial tie extending from Cranbrook to the Alberta border, and a line linking the Revelstoke Dam to the main provincial grid.

UNDEVELOPED HYDRO POWER

British Columbia possesses an abundance of fresh water owing to the combination of a wet climate and mountainous terrain. The total hydro-electric power potential is difficult to assess precisely, but is conservatively estimated—according to a 1975 inventory—to exceed 20.9 gigawatts of firm power; i.e. power that is available 24 hours a day every day of the year.

It is customary to install generating capacity in excess of the firm-power rating of a site since electric energy is rarely required on a continuous full-load basis. The potential capacity of British Columbia's undeveloped resources at a load factor of 65 percent, for example, would approximate 30 gigawatts.

The British Columbia Hydro and Power Authority has proposed a number of future electric power projects including: a dam on the Columbia River at Murphy Creek near Trail, in conjunction with the addition of generating facilities at the Keenleyside Dam just upstream; construction of a dam and power plant at Site C on the Peace River near Taylor; a number of sites in the Stikine-Iskut River Basin; and a series of dams on the Liard River. These projects will not be required to meet domestic demand until the 1990s but may be developed to supply export markets.

The Aluminum Company of Canada Ltd., has proposed construction of additional generation capacity at Kemano and additional storage capacity adjacent to its existing reservoir in the Nechako watershed area of northwestern British Columbia. The Kemano Completion Project would have a generation capacity of approximately 0.8 gigawatts and would be used to supply power to two new aluminum smelters. These projects are currently on hold awaiting an improved market outlook for aluminum.

THERMAL ENERGY

The province is endowed with a variety of fossil fuels, including oil, natural gas, and coal in addition to its vast hydro potential. All of these could be used for the generation of electric power, giving due consideration to environmental quality maintenance requirements. At present the largest thermal plant in the province is the Burrard Plant, located in the Vancouver area. It is intended for use primarily to supply peak power needs and is designed to use natural gas or oil.

British Columbia Hydro and Power Authority has decided to delay indefinitely any decision to utilize Hat Creek (near Cache Creek) coal deposits for thermal generation of electricity. The decision was a result of a reduced growth rate in demand for electric power, and rising costs of development. However, development remains an option for the future; a generating plant at Hat Creek could have had an ultimate capacity of 4.8 gigawatts and an economic life of at least 35 years. The feasibility of utilizing waste coal discarded by mines in the East Kootenay region continues to be examined.

OTHER DEVELOPMENTS

Concern over the rising costs of conventional energy prompted undertakings by the British Columbia Hydro and Power Authority, the Government of British Columbia and the private sector. Energy conservation is being actively promoted

and efforts are being made to utilize other power sources. Of particular interest are measures to promote greater use of forest industry wastes which already supply a substantial part of the energy requirements of wood conversion plants. The Authority has also undertaken research on the feasibility of converting low quality coals to gas (either for industrial consumption or to fuel electric power plants) and on the prospects for utilizing British Columbia's geothermal potential. As current generating capacity exceeds domestic demands, considerable effort is being devoted to increasing exports of electrical power to the U.S.A. In the domestic market, various special incentives including rate reductions on both incremental purchases by industrial accounts and new industrial plants are designed to increase electricity consumption and general economic activity in the province.

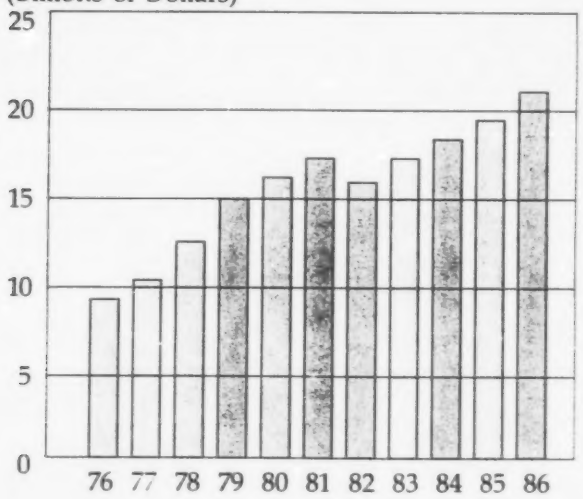
MANUFACTURING

- Manufacturing shipments in 1986 were worth $20.6 billion.
- Employment in 1986 averaged 151,000, with salaries and wages totalling $4.5 billion.

The value of British Columbia shipments of manufactured products has grown at an annual rate of 8.8 percent during the past ten years despite a marked setback in 1982. Since 1976 the value of factory shipments has increased $11.8 billion to reach $20.6 billion in 1986. Salaries and wages climbed from $2.3 billion in 1976 to $4.5 billion in 1986. The following graph displays the growth in British Columbia manufacturing shipments from 1976 to 1986:

Manufacturing Shipments

(Billions of Dollars)



The province's manufacturing industries are largely resource-based: namely forest products, refined non-ferrous metals, fish products, and processed agricultural products. The following table lists the leading manufacturing industry groups for 1986 in terms of value of shipments.

The wood and paper and allied industries accounted for 45.7 percent of the value of provincial factory shipments in 1986. This domination is expected to continue in the near future although further processing of other resources and an expansion in higher technology products such as electrical equipment, industrial equipment, chemicals, and plastics is anticipated.

Shipments by secondary manufacturers of fabricated products (as opposed to resource processing) were valued at $5 billion in 1986. The leading industries in this sector are fabricated metal products and transportation equipment. Metal fabricating produces a variety of structural components and capital goods employed in construction and other industries and in 1986 registered shipments of $927 million and employed 8,000 workers. The transportation equipment industry group consists primarily of truck and trailer manufacturing, shipbuilding, boatbuilding and production of aircraft components. It had shipments of $785 million and employed 9,800 in 1986. Other major secondary manufacturing sectors are printing and publishing (1986 employment - 9,000), machinery (1986 employment - 4,800), electrical products (1986 employmet - 4,200) and chemicals (1986 employment - 3,400). Well-established, consumer-oriented sectors include furniture and fixtures, and clothing which together had shipments in excess of $301 million in 1986.

The location of resources, centres of population and transportation factors have historically determined the regional distribution of manufacturing activity. The Greater Vancouver area has developed as the major manufacturing centre with Vancouver Island (where pulp mills, sawmills, etc. dominate) ranking next in importance. The Prince Rupert-Kitimat area has forest products, fish processing, aluminum refining, methanol and ammonia production. Wood products, food and beverage processing, trucks, and recreational vehicles are the principal manufacturing industries in the

Leading Manufacturing Industries in British Columbia, 1986

Industry Group	Value of Shipments ($ Millions)	Percent
Wood	5,510	26.7
Paper & Allied	3,929	19.0
Food	2,739	13.3
Refined Petroleum & Coal Products	2,179	10.6
Fabricated Metal Products	927	4.5
Primary Metals	788	3.8
Transportation Equipment	785	3.8
Chemicals & Chemical Products	608	2.9
Non-metallic Mineral Products	474	2.3
Machinery (except electrical)	451	2.2
Electrical & Electronic Products	241	1.2
Clothing	168	0.8
Furniture & Fixtures	133	0.6
Other	1,707	8.3
Total	**20,639**	**100.0**

Source: Statistics Canada, 31-001
[1]Preliminary estimates.

Okanagan. The Kootenay centre of Trail is the location of a major lead-zinc smelter and fertilizer plant. Most other regions of the province are dominated by forest products manufacturing although greater diversification is being achieved in step with population growth. The geographical distribution of manufacturing in British Columbia in 1984 is detailed in the following table:

Geographical Distribution of Manufacturing in British Columbia, 1985

Development Regions	Establish-ments	Total Employees[1]	Value of Shipments ($ millions)
Vancouver Island/Coast	463	15,635	2,616
Lower Mainland/ Southwest	2,417	68,729	10,658
Okanagan	464	11,434	1,613
Kootenay	129	6,908	740
Cariboo	155	10,693	1,849
North Coast	56	4,904	992
Nechako	62	2,456	380
Peace River	43	1,328	357
Unallocated	245	1,804	178
British Columbia	**4,034**	**123,891**	**19,383**

[1]Includes head offices, sales offices, etc.
Source: Statistics Canada and Central Statistics Bureau

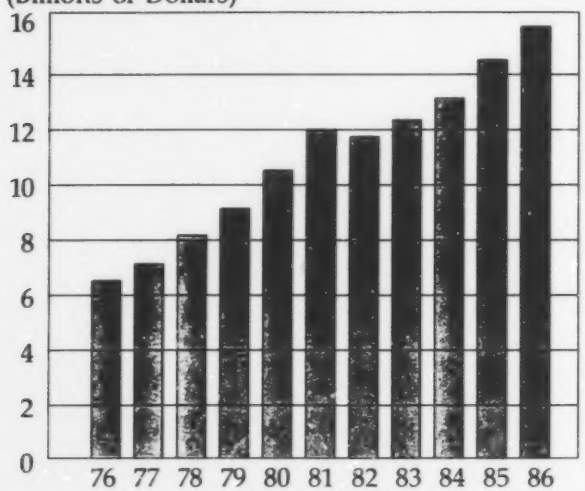
RETAIL TRADE

- Total retail trade in 1986 reached $15.6 billion.
- Per capita retail sales were $5,368.

Total retail sales expanded at an average annual rate of 8.8 percent from 1976 to 1986, while per capita retail sales grew at an average annual rate of 7.1 percent during the same period. The greatest growth in retail trade occurred in 1980 and 1981, partly because of higher inflation rates during those years, while the recession and high interest rates brought about a slight decline in 1982. Since 1983 retail sales have grown at an average annual rate of 8.3 percent.

Annual growth in retail trade for the years 1976 to 1986 is shown on the following graph:

Retail Sales
(Billions of Dollars)



Over the past two decades the retailing industry has undergone a number of dramatic changes. Initially, large suburban shopping malls began to replace conventional smaller outlets. This was then followed by even larger regional malls capable of attracting customers from a considerable distance. At the same time downtown malls and specialty markets such as Granville Island Market in Vancouver were developed to bring traffic back into downtown areas, where the department stores had traditionally concentrated. Today the emphasis appears to be on the development of small neighbourhood strip malls built around a convenience chain outlet, and huge warehouse grocery stores offering a wide range of non-grocery items. Despite the leading role played by the major department stores and chains, the independent operators have been able to sustain their market share by emphasizing service and selection within narrowly defined product lines or market segments.

Over the past decade the share of retail trade accounted for by chain stores has remained relatively constant—approximately 45 to 47 percent of total retail sales, compared to 53 to 55 percent for independent stores. Metropolitan Vancouver is British Columbia's predominant trading area and normally accounts for slightly more than half of total retail sales in the province—51.2 percent in 1986.

Automotive-related outlets—29.3 percent, account for the largest share of retail sales, followed by food-related stores—26.3 percent, and department stores—12.4 percent. The following table provides a detailed breakdown of retail sales by kind of business:

Retail Trade by Kind of Business, British Columbia (Millions of Dollars)

Kind of Business	1983	1984	1985	1986
Combination stores (groceries & meat)	2,546	2,666	2,883	3,117
Grocery confectionery & sundries stores	460	507	581	671
All other food stores	277	281	296	305
Department stores	1,780	1,768	1,836	1,935
General merchandise stores	217	216	225	212
General stores	155	151	127	121
Variety stores	83	82	88	87
Motor vehicle dealers	1,750	2,019	2,477	2,872
Used car dealers	50	55	56	84
Service stations	908	1,040	1,238	1,258
Garages	104	119	126	115
Automotive parts & accessories stores	226	199	199	233
Men's clothing stores	114	124	103	121
Women's clothing stores	214	230	283	328
Family clothing stores	142	157	190	223
Specialty shoe stores	12	13	24	28
Family shoe stores	73	70	70	77
Hardware stores	88	89	104	126
Household furniture stores	110	129	149	149
Household appliance stores	53	67	53	42
Furniture, T.V., radio and appliance stores	84	88	78	79
Pharmacies, patent medicine & cosmetics stores	587	651	692	778
Book and stationery stores	52	55	75	85
Florists	30	42	31	42
Jewellery stores	135	129	136	149
Sporting goods and accessories stores	204	228	257	272
Personal accessories stores	181	194	201	249
All other stores	1,621	1,636	1,725	1,808
Total, all stores	**12,257**	**13,005**	**14,304**	**15,567**

Source: Statistics Canada, 63-005

BANKS AND CREDIT UNIONS

- As of December 31, 1986, chartered banks had total assets of $34.6 billion in British Columbia.
- As of December 31, 1986, credit unions in British Columbia had total assets of $6.7 billion.

BANKS

Chartered banks maintained 823 branches in British Columbia at the end of 1986, with all of the major national chartered banks being represented. As of December 31, 1986, the chartered banks' total assets in British Columbia were $34.6 billion, representing 7.4 percent of total chartered bank assets in Canada.

The growing importance of Vancouver as a financial and commercial centre of the Pacific Rim is also reflected by the fact a number of foreign banks have established limited corporate banking functions in the city. Several foreign banks have Canadian head offices in Vancouver, while several others have branches. The federal government has taken action on a proposal to make Vancouver an international banking centre, capable of serving the growing demand of Pacific Rim financial markets.

Canadian Chartered Banks in British Columbia, Year-End 1983-1986

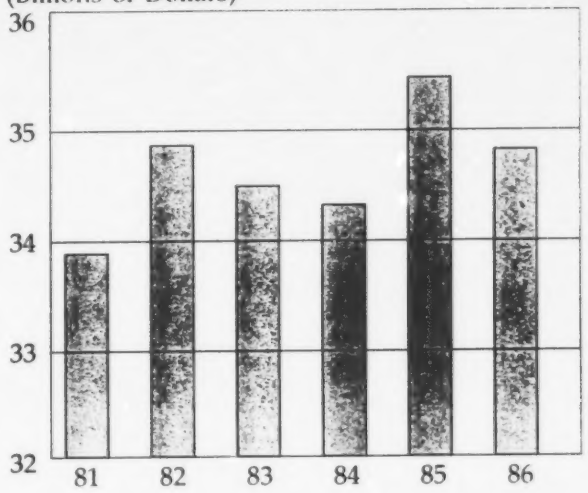
	1983	1984	1985	1986*
Number of Branches	853	843	831	823
Number of Employees*	18,860	18,094	20,172	20,042
Number of Automatic Teller Machines	272	342	401	501
		($ millions)		
Personal Savings Deposits	14,269	15,177	16,431	17,861
Business Loans Outstanding	9,712	9,378	9,101	7,694
Personal Loans Outstanding	5,655	5,523	5,585	5,589
Residential Mortgage Loans Outstanding	6,778	7,177	7,706	8,525
Farm Loans Outstanding	661	662	656	603

Source: 1983-1984, Canadian Bankers Association
1985-1986, Statistics Canada
**1986 Data as of September 1986*

The Federal Business Development Bank (FBDB), a federal Crown Corporation, replaced the Industrial Development Bank on October 2, 1975. The bank continues the role of providing loans, as well as equity financing, to small and medium-sized businesses unable to secure funds through conventional channels. The bank approved 1,441 loans in British Columbia and the Yukon totalling $203 million in the fiscal year ended March 31, 1987.

Chartered Bank Assets in British Columbia

(Billions of Dollars)



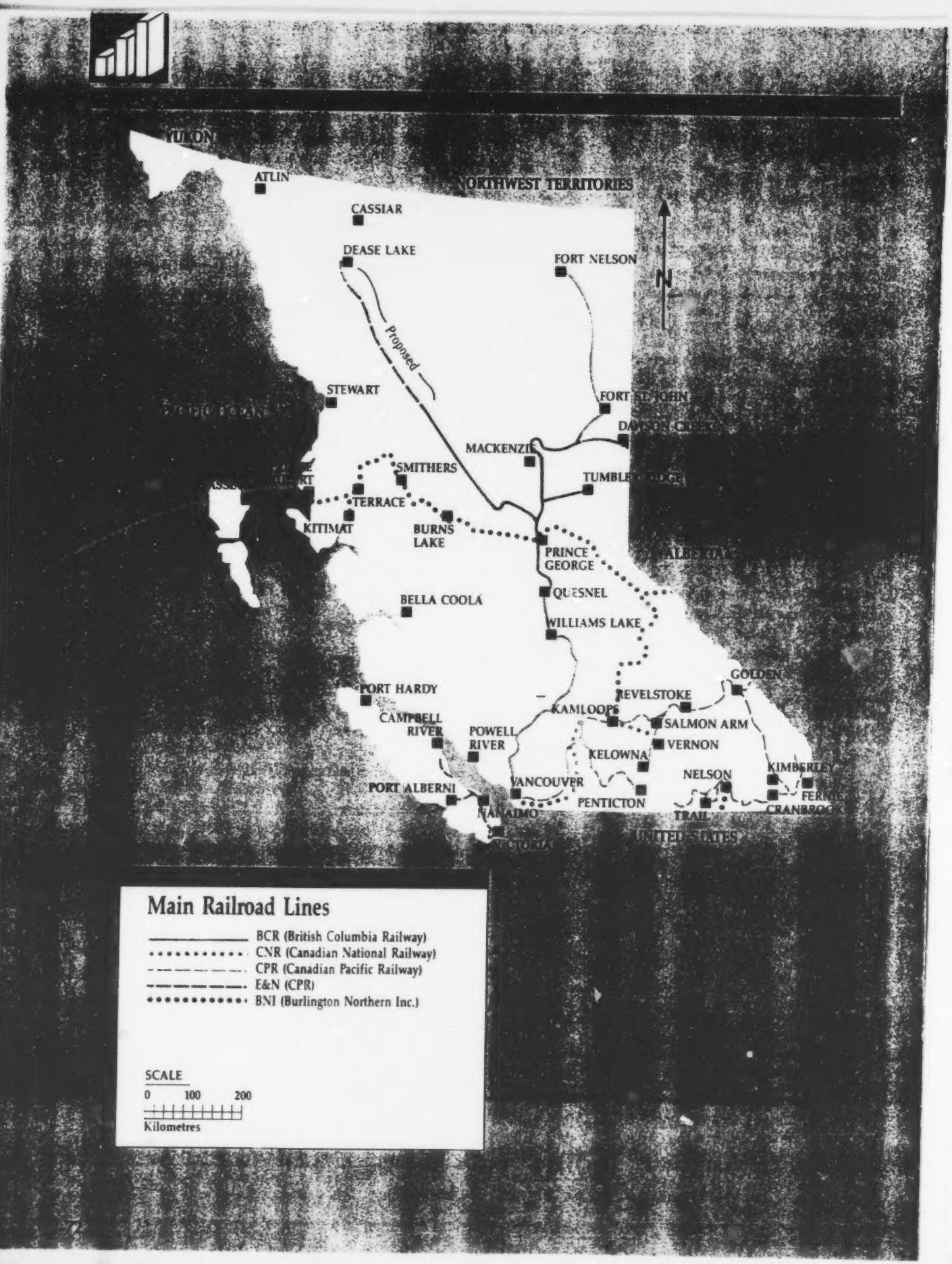
CREDIT UNIONS

The growth of credit unions in recent years has been substantial. Today they are an important financial institution in British Columbia. Credit union membership in 1986 totalled 973,000. Credit union assets, as a percentage of the chartered banks' total assets in British Columbia, totalled 19.4 percent as of December 31, 1986. The following table summarizes some important statistics on credit unions as of December 31, for the years 1983 to 1986:

Credit Unions in British Columbia, Year-End 1983-1986

	1983	1984	1985	1986
Credit Union Locations	312	314	313	284*
Number of Members	932,000	960,000	976,000	973,000
		($ millions)		
Members' Deposits	5,039	5,426	5,732	6,110
Loans to Members	4,446	4,566	4,926	5,180
Total Assets	5,708	5,972	6,266	6,711

Source: B.C. Central Credit Union Annual Report 1986
**Excludes Credit Union Insurance Subsidiaries*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E&N (CPR)
BNI (Burlington Northern Inc.)
SCALE
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TRANSPORTATION AND COMMUNICATIONS

WATER-BORNE SHIPPING

Deep-sea international shipping lines reach out from British Columbia to the major ports of the world. Coastal shipping, including specialized freight and rail barges, log-towing, and passenger and freight steamers, also comprises an important segment of the transportation picture. Vancouver, the province's principal port, handled a record 57.6 million tonnes of international and domestic shipments in 1986, the second highest figure ever recorded. Vancouver is the largest dry cargo port on the entire Pacific Coast of North America. British Columbia customs ports annually handle 35-40 percent of all Canadian water-borne exports. The following table provides information on cargoes handled through British Columbia ports from 1981 to 1985:

Cargoes Handled Through British Columbia Ports, Coastwise and International Shipping, 1981-1985 (Thousands of Tonnes)

	1981	1982	1983	1984	1985
Total Coastwise	**52,005**	**46,795**	**45,136**	**39,480**	**42,274**
Loaded	26,055	23,421	22,568	19,753	21,153
Unloaded	25,950	23,374	22,568	19,727	21,121
Total International	**59,416**	**55,071**	**61,270**	**73,374**	**73,729**
Loaded	53,419	51,077	57,095	68,253	67,921
Unloaded	5,997	3,994	4,175	5,121	5,808

Source: Statistics Canada, 54-210 and 54-211

Major deep-sea bulk-cargo facilities within the Greater Vancouver port area are located at Vancouver, North Vancouver, Surrey (Fraser River), Port Moody, and Roberts Bank. Commodities shipped include: coal, grain, forest products, mineral concentrates, potash, and sulphur. A major expansion at Roberts Bank was undertaken recently to handle increasing export volumes of coal. The Port of Vancouver has two container wharves—'Vanterm' with 3 container cranes and Centerm Terminal with 2 cranes—which handled 222,781 (twenty foot equivalent) containers in 1986.

A major expansion of facilities at the Port of Prince Rupert enabled that port to handle 9.3 million tonnes of international seaborne cargo in 1985, compared with 7.7 million tonnes in 1984. This large gain was primarily due to coal shipments, totalling 7.0 million tonnes, from the Ridley Island coal terminal which began operations at the beginning of 1984. The new Ridley Island grain terminal was completed and began operations in 1985. This highly efficient terminal has a maximum annual throughput capacity of 3.5 million tonnes.

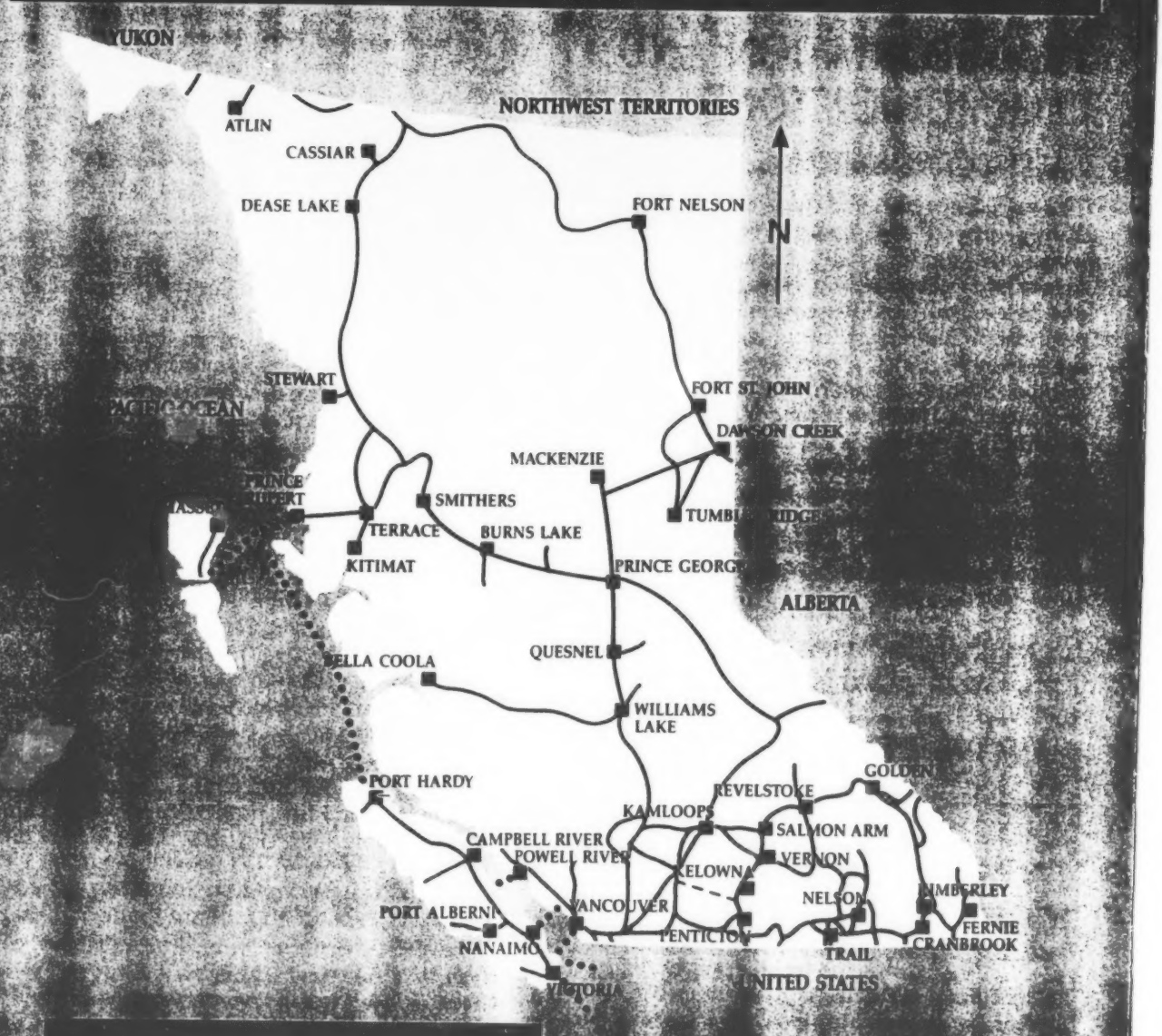
RAILWAYS

British Columbia is served by two national railways as well as the British Columbia Railway (formerly called the Pacific Great Eastern Railway) and several American lines. The Canadian National Railway connects Prince Rupert, Kitimat, and Prince George with Edmonton, Alberta, and points east. It also links Vancouver and the south central region of the province with Edmonton. The Canadian Pacific Railway joins Vancouver and the southern regions of the province with Calgary and Lethbridge, Alberta, and points east. The CNR and CPR both operate lines on Vancouver Island. The British Columbia Railway has its southern terminus at North Vancouver and serves central and northern British Columbia. Terminals are at Fort St. James, Fort Nelson, Dawson Creek, Mackenzie, and Tumbler Ridge. The latest addition to the BCR system is a 123 km branch line from Anzac to the new coal mines at Tumbler Ridge. The line, which is electrified, was operational in late 1983, although electrification was not completed until 1984. Both the CNR and CPR are engaged in major railway upgrading projects to handle increasing freight volumes. The CNR is double tracking much of its Edmonton-Vancouver line and the CPR is engaged in a $600 million tunnelling project in the Rogers Pass area to reduce grades.

The CNR (formerly North Alberta Railway) connects with the British Columbia Railway at Dawson Creek. American rail lines serve some British Columbia points directly or interchange with Canadian railways at southern border points. A number of industrial railways, the British Columbia Harbours Board Railway (operated by the BCR), and the railway freight service of the British Columbia Hydro and Power Authority also serve the Lower Mainland area. The White Pass and Yukon Railway, between Skagway, Alaska and Whitehorse, Yukon Territory, crosses through the northwestern corner of the province. However, this line closed when it lost its main customer, a large lead-zinc mine at Faro, Yukon.

HIGHWAYS AND TRANSIT

Billions of dollars have been spent in British Columbia to extend and improve the highway system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CASSIAR
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FORT NELSON
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MACKENZIE
SMITHERS
TERRACE
BURNS LAKE
KITIMAT
PRINCE GEORGE
ALBERTA
QUESNEL
BELLA COOLA
WILLIAMS LAKE
PORT HARDY
REVELSTOKE
GOLDEN
KAMLOOPS
SALMON ARM
CAMPBELL RIVER
POWELL RIVER
VERNON
KELOWNA
NELSON
KIMBERLEY
PORT ALBERNI
VANCOUVER
PENTICTON
FERNIE
CRANBROOK
NANAIMO
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VICTORIA
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Main Highway and Ferry Routes
Ferry Routes
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Under Construction
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Kilometres

since World War II, including $867 million in the fiscal year 1986/87. In 1984, the provincial government commenced construction on two major highway projects—the Coquihalla Highway from Hope to Kamloops and the Annacis Bridge over the Fraser River to provide improved access to Vancouver from the south. The first phases of both projects were operational in 1986. There are 46,414 kilometres of provincial roads and rights-of-way, of which 21,753 kilometres are paved, and 23,556 kilometres are gravelled.

During the 1986 license year, 1,267,135 passenger vehicles and 452,477 commercial vehicles (including buses and trollies) were licensed in the province. British Columbia Hydro owned and operated transit systems in Greater Vancouver and Greater Victoria until March 31, 1980. Responsibility for operation of the transit systems was transferred to the Metro Transit Operating Company and the Urban Transit Authority (now B.C. Transit) on April 1, 1980. Many of the province's other municipalities also enjoy local bus service. The Transit Authority also has overall responsibility for a rapid transit system (SkyTrain) between downtown Vancouver and New Westminster, the first phase of which was completed in 1985. An extension from New Westminster to Surrey is currently under construction and others to Coquitlam and Richmond are under study.

AIRLINES

There are approximately 110 licensed air carriers based in British Columbia. Licensed bases include more than 200 land based airports, over 60 seaplane facilities, and over 20 heliports. British Columbia is served by Air Canada, Canadian Airlines International, Wardair and their subsidiaries, together providing local, transcontinental, and international services. Numerous smaller airlines provide local scheduled and charter services within the province. Regular and charter services provided by many of the world's major carriers link Vancouver with all parts of the world. Passenger activity at major airports in British Columbia is detailed in the following table:

COMMUNICATIONS

Many regular publications are printed in the province, including community newspapers, daily newspapers, and periodicals. The daily newspapers include both evening and morning editions. The two largest daily newspapers in the province are the Sun (Vancouver) and The Province (Vancouver).

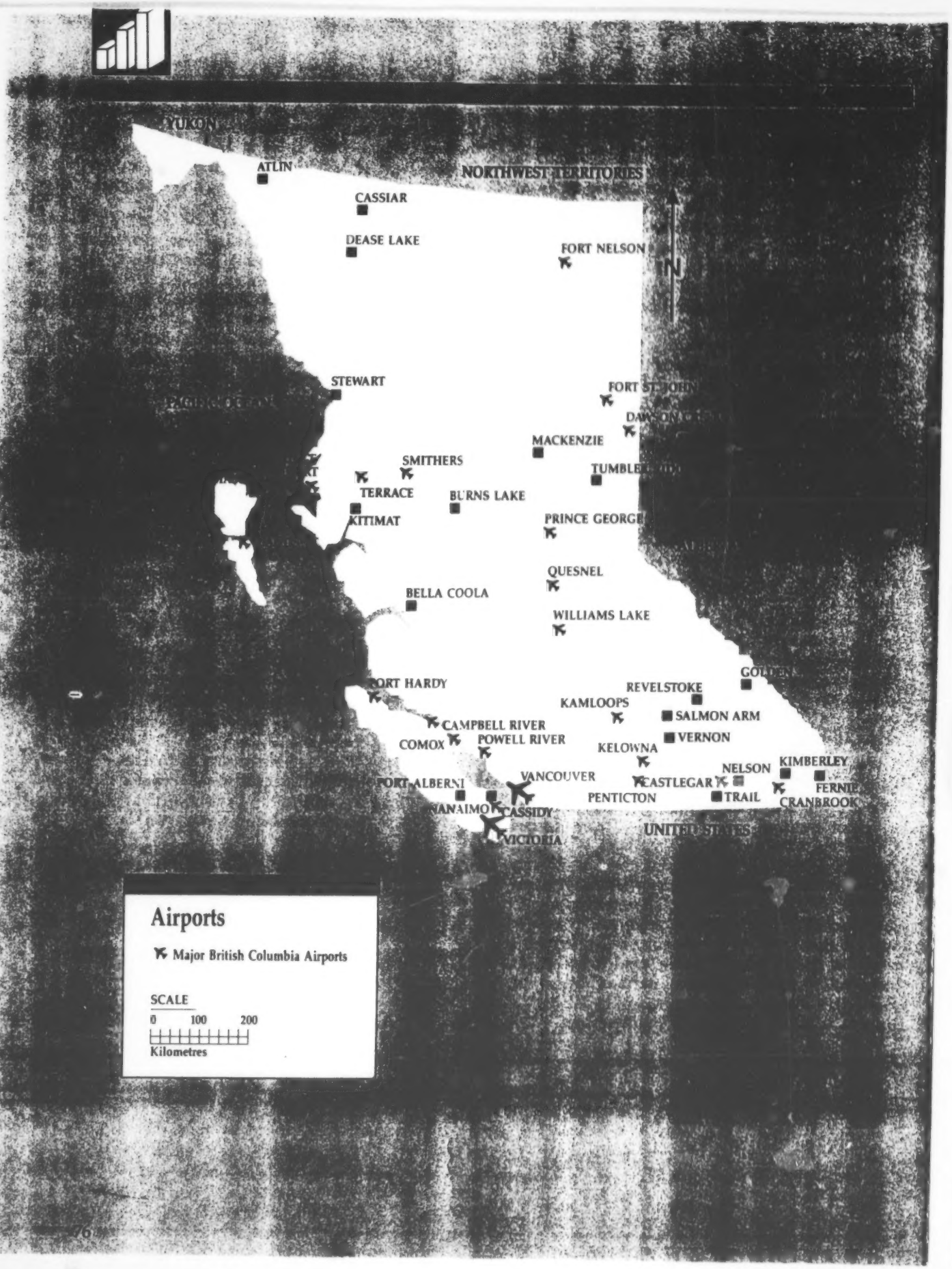
There are a number of telephone networks operating in British Columbia. The majority of British Columbians (99 percent) receive service from the British Columbia Telephone Company. At the end of 1986, there were 1,579,245 commercial and residential telephone lines in British Columbia. In the northern part of the province, from Fort Nelson to Telegraph Creek, subscribers receive telephone service from NorthwestTel Inc., a wholly-owned subsidiary of Canadian National. The Telephone Utility Department of the City of Prince Rupert provides telephone service throughout the Prince Rupert area. CNCP provides certain specialized telecommunications services throughout most of the urban areas of the province. In addition to these public networks, there are several private telephone networks, including the RCMP, the provincial government, and B.C. Rail.

At the end of 1986 there were 70 private originating radio stations, 8 private originating television stations, plus 1 pay-tv network. In addition, there were several hundred rebroadcasting stations in British Columbia. Through licensed cable systems, local cable television is available to over 96 percent of the residents in the province. There were 940,769 subscribers to cable television in 1986. Recent technological developments have allowed many communities in remote areas of the province to receive television signals via satellite.

Total Passengers (Enplaned and Deplaned) at Major British Columbia Airports - Scheduled Services (Thousands)

Airport	1982	1983	1984	1985
Vancouver International	5,858	5,792	6,038	6,047
Victoria International	532	444	331	305
Kelowna	376	323	333	396
Prince George	258	221	219	224
Fort St. John	190	144	142	145
Kamloops	169	149	144	140

Source: Statistics Canada, 51-005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STEWART
FORT ST. JOHN
DAWSON
MACKENZIE
SMITHERS
TUMBLER RIDGE
TERRACE
BURNS LAKE
KITIMAT
PRINCE GEORGE
QUESNEL
BELLA COOLA
WILLIAMS LAKE
GOLDEN
PORT HARDY
REVELSTOKE
KAMLOOPS
SALMON ARM
CAMPBELL RIVER
COMOX
POWELL RIVER
VERNON
KELOWNA
NELSON
KIMBERLEY
VANCOUVER
PORT ALBERNI
CASTLEGAR
FERNIE
PENTICTON
TRAIL
CRANBROOK
NANAIMO
CASSIDY
VICTORIA
UNITED STATES
Airports
Major British Columbia Airports
SCALE
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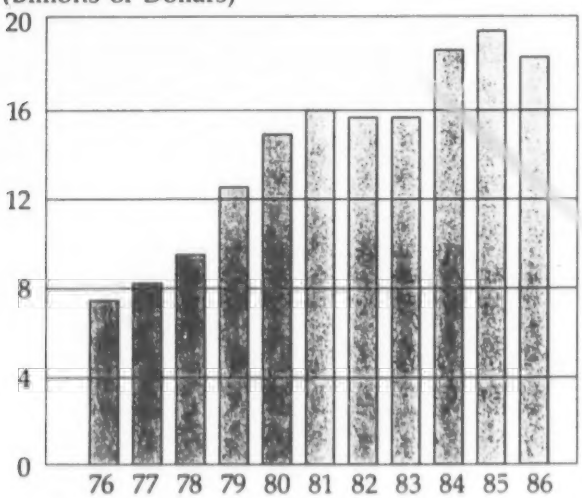
EXTERNAL TRADE

- British Columbia relies heavily on foreign markets, exporting more than 50 percent of its total goods production.
- Canadian exports through British Columbia customs ports were valued at $17.9 billion and imports, $11.0 billion in 1986.
- Exports of products of B.C. origin through all Canadian customs ports were estimated at $12.7 billion in 1986.

British Columbia plays an important role in Canada's foreign trade, both as a producer and as a provider of transportation services. Exports through the province's customs ports include products of the Prairie Provinces, in large part grains, oilseeds, potash, coal, sulphur, petroleum and natural gas. With the rapid growth of the Pacific Rim markets, various products from eastern Canada are also exported via British Columbia. At the same time, a significant proportion of commodities imported through the province's customs ports are destined for other parts of Canada, particularly automobiles and other manufactures from Japan and South Korea.

Exports Through B.C. Customs Ports

(Billions of Dollars)



EXPORTS

Approximately 40 percent by value of all exports through British Columbia customs ports are destined for the United States each year. Leading commodities shipped to the U.S.A. include lumber, pulp, newsprint, natural gas, metals in ores and refined form, crude petroleum and petroleum products, and cedar shingles and shakes. Despite the predominance of natural resource products, the United States has become an important market for a wide range of sophisticated manufactures from British Columbia and other parts of Canada.

The following table summarizes exports by principal market areas over the past three years:

Exports by Principal Market Areas, 1984-1986

Country or Market Area	Exports Through B.C. Customs Ports (millions of dollars)		
	1984	1985	1986
United States	6,881.2	7,851.2	6,625.8
Japan	4,730.0	4,793.7	4,666.6
United Kingdom	447.8	376.3	484.4
Other Common Market[1]	1,282.8	1,041.8	1,260.3
People's Republic of China	1,038.4	837.9	607.2
Australia	340.5	344.8	334.7
Other Countries	3,531.9	3,838.6	3,941.9
Total	**18,252.6**	**19,084.3**	**17,930.9**

Source: Ministry of Economic Development, External Trade Report
[1]Belgium, Luxembourg, Germany, France, Italy, the Netherlands, Denmark, Ireland, Greece, Spain and Portugal.

Although the value of exports changed little during the period 1984-86, this was largely a reflection of price weakness in resource products, particularly fuels, rather than a downward shift in the volume of trade. The decades of the 1960s and '70s were years of rapid growth and significant change. Japan experienced the fastest rate of growth during that period and now accounts for more than 25 percent of exports through British Columbia customs ports. Principal exports to Japan include coal, copper concentrates, lumber, herring roe and other fisheries products, pulp, potash, wheat and other grains, oilseeds and refined aluminum.

The United Kingdom and other Common Market countries purchase large quantities of lumber, pulp, metals in ores and ingot, coals, fisheries products, grains, paper and paperboard, plywood and asbestos. The United Kingdom has undergone a major change in trading patterns since it became a member of the EEC, and its relative importance as a market for western Canadian goods has been declining. More recently this had also been the case for the rest of the Common Market. However, in 1986 sales to the Common Market rose sharply.

One of the most important recent developments has been the rapid advance in trade with the People's Republic of China. Between 1979 and 1983, exports to China through British Columbia customs ports rose by 136 percent, and China's

share of total exports increased from 4.2 percent to 8.1 percent. Since 1983 sales have declined but the setback is seen as a temporary adjustment reflecting the nation's need to conserve foreign exchange. Strong gains also have been recorded in South Korea, Taiwan, Hong Kong, Indonesia and Malaysia. These and other rapidly industrializing Pacific Rim countries are expected to continue increasing their share of world trade, thereby preenting excellent opportunities for Canadian exporters. While markets in Europe, the Middle East and Africa will not be neglected, the focus of Canada's—and particularly British Columbia's—future sales efforts will be the countries of the Pacific Rim.

EXPORTS OF BRITISH COLUMBIA PRODUCTS

British Columbia goods exported through all Canadian customs ports were valued at an estimated $12.7 billion in 1986, up more than 3.3 percent from 1985 and up $7.4 billion or 141 percent from 1976. As the following table shows, resource products dominate the province's exports. Nevertheless, manufactures like heavy duty trucks, sawmill equipment, communications equipment, steel products, and a wide range of industrial and consumer goods contribute an increasing share of the total value.

As the British Columbia economy continues to diversify, the natural resource sectors offer export growth potential through additional value added in further processing of raw and semi-fabricated materials. Areas with high growth potential also include such labour-intensive industries as the fashion and needle trades, and electronics. British Columbia electronics firms have already achieved some measure of success with specialized products such as those employed in robotics, railway operations, communications systems, navigation, remote sensing and meteorological data systems.

The distribution of British Columbia products is not unlike that of all products exported through the province's customs ports. The U.S.A. accounted for 48 percent in 1986, Japan for 26 percent, the United Kingdom for 4.1 percent and other EEC countries for 8.4 percent. However, between 1976 and 1986 all other countries increased their share of the total from 10.5 percent to 13.7 percent. This gain was largely attributable to those Pacific Rim countries identified in the previous section.

Leading British Columbia Product Exports
(Millions of Dollars)

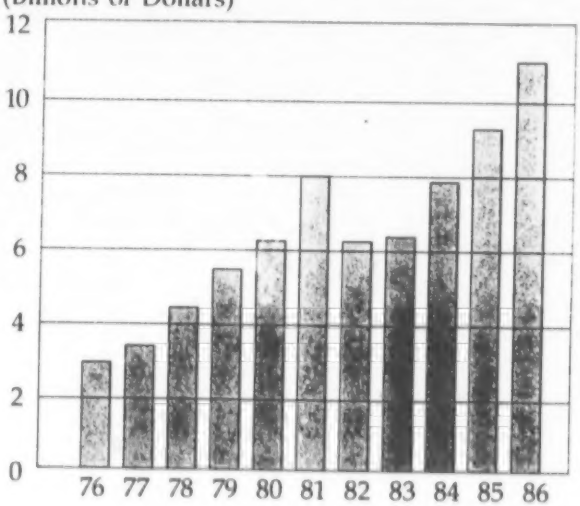
Commodity	1984	1985	1986
Lumber	2,667.9	2,874.9	3,091.0
Pulp	1,762.3	1,594.5	1,980.5
Coal	1,537.9	1,617.8	1,493.7
Newsprint	641.2	831.7	880.9
Natural Gas	430.3	378.9	276.7
Fisheries products	370.6	449.2	582.7
Copper ore and ingots	381.9	380.7	456.5
Aluminum ingots	395.1	341.3	448.9
All other commodities	3,471.8	3,872.5	3,503.9
Total	**11,659.0**	**12,314.5**	**12,714.8**

Source: Ministry of Economic Development

IMPORTS

Because the majority of imports are manufactured goods, they tend to mirror economic conditions within Canada as a whole. The recent recession is clearly shown in the following graph of total imports through British Columbia customs ports from 1976 to 1986:

Imports Through B.C. Customs Ports
(Billions of Dollars)



British Columbia's most important export markets are also the major sources of imports through the province's customs ports.

The United States dominates imports through British Columbia customs ports and in 1986 accounted for 37.4 percent of the total. Products imported from the U.S.A. are mostly manufactures but range from seasonal vegetables and citrus fruits to advanced technical goods. Imports from other industrialized and rapidly developing nations are

predominantly manufactured goods. These include iron and steel, automobiles, motorcycles, radios, tape recorders, cameras, TV sets, machinery, processed foods, clothing, textiles and alcoholic beverages. Cars and trucks continue to dominate import values, accounting for 30.7 percent of all inward movements through B.C. customs ports in 1986.

Australia and New Zealand are important suppliers of meat, fruit, alumina (raw material for aluminum), and raw sugar. Less developed countries supply bananas, tea, coffee, sugar, jute, and other tropical agricultural goods. Some industrial raw materials such as metals in ores and consumer products such as textiles are also purchased from these nations.

Imports by Principal Sources, 1984-1986

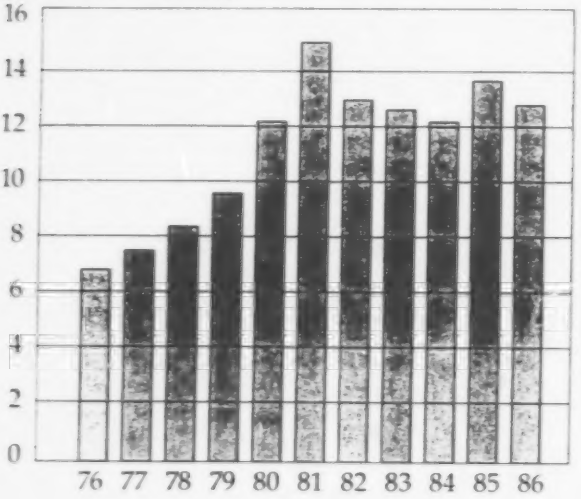
Country or Market Area	Imports Through B.C. Customs Ports (millions of dollars)		
	1984	1985	1986
United States	3,232.4	3,619.7	4,125.6
Japan	2,670.7	3,158.2	4,075.4
United Kingdom	94.8	127.9	111.3
Other Common Market[1]	357.9	429.0	523.1
Central America and Antilles	104.4	95.9	123.6
Australia	155.3	171.0	183.6
Other Countries	1,211.6	1,689.9	1,877.3
Total	**7,827.1**	**9,291.6**	**11,019.9**

Source: Ministry of Economic Development, External Trade Report
[1]Belgium, Luxembourg, Germany, France, Italy, the Netherlands, Denmark, Ireland, Greece, Spain and Portugal.

CAPITAL INVESTMENT AND CONSTRUCTION

■ Capital and repair expenditures for 1987 were expected to reach $14.3 billion.

Capital and Repair Expenditures
(Billions of Dollars)



In anticipation of future traffic increases, both the CNR and CPR are currently engaged in billion dollar upgrading and double-tracking efforts in British Columbia. The largest single component is CPR's $600 million tunnel project in the Rogers Pass; construction began in mid-1982 and will continue into 1988.

In the industrial and commercial sectors, major project completions in 1986 included Ocelot Industries ammonia plant at Kitimat and the initial phase of Metro Place Centre shopping mall in Burnaby. Major undertakings begun in 1986 or earlier, and continuing on into 1987 included: the Nickel Plate gold mine at Hedley; Highland Valley mine integration; the Moli Energy battery plant in Maple Ridge; Cominco's lead smelter modernization at Trail; and two additional shopping malls at Metro Place in Burnaby. Underway in late 1987 were numerous mining and forestry projects including newsprint mills at Gold River ($320 million) and Mackenzie ($212 million).

Major undertakings in the proposal stage include a pulp-newsprint plant at Port Mellon ($635 million), Kemano Completion hydro-electric development ($850 million), an aluminum smelter at Vanderhoof ($1 billion), a KAON Factory at the University of British Columbia, and a natural gas pipeline to Vancouver Island. In addition, a number of coal mines in the Northeast, Southeast, Northwest and on Vancouver Island, as well as the Site C hydroelectric project, are primed for development as soon as market conditions improve.

HOUSING

Residential building is an important part of British Columbia's construction industry. In 1987, it was expected to account for 30.1 percent of total construction expenditures. The following table details housing starts in British Columbia in 1986 by type of dwelling:

Housing Starts in British Columbia by Type of Dwelling, 1986 (Units)

	Type of Dwelling				
Location	Single De-tached	Semi-De-tached	Row	Apt. and Other	Total
Metropolitan Vancouver	7,568	412	1,620	3,978	13,578
Metropolitan Victoria	1,157	64	312	128	1,661
Other Areas	4,241	89	357	761	5,448
British Columbia	**12,966**	**565**	**2,289**	**4,867**	**20,687**

Source: Statistics Canada, 64-002

Capital investment is an important indicator of the level of economic activity and the well-being of the province. Between 1976 and 1986, the value of capital and repair expenditures doubled but, due to inflation, the growth in real terms was somewhat less. The following table details recent capital and repair expenditures in British Columbia by sector, as well as 1987 revised intentions:

Capital and Repair Expenditures in British Columbia by Sector (Millions of Dollars)

Sector	1984	1985	1986	1987[1]
Agriculture & Fishing	316.7	311.6	289.8	293.9
Mining	1,212.7	1,170.1	894.1	1,068.9
Forestry	307.8	283.4	266.6	316.2
Construction	279.6	257.9	286.5	301.2
Manufacturing	1,382.8	1,483.2	1,497.7	2,258.6
Utilities	2,882.8	2,544.6	2,268.8	2,358.1
Trade, Finance & Commercial Services	1,951.7	2,533.7	2,252.6	2,369.9
Housing	2,125.4	2,823.3	3,010.8	3,227.9
Institutions & Gov't. Departments	1,729.1	2,151.8	1,981.5	2,076.9
Total	**12,188.6**	**13,559.6**	**12,748.4**	**14,271.6**

Source: Statistics Canada, 61-205 and 61-206 [1]*Revised Intentions*

Construction expenditures average approximately 58 percent of total capital investment in British Columbia, with the remainder being spent on machinery and equipment. The following table shows the distribution of capital and repair expenditures from 1984 to 1987 by type of expenditure:

Capital and Repair Expenditures in British Columbia by Type of Expenditure

(Millions of Dollars)

Type of Expenditure	1984	1985	1986	1987[1]
Construction - Capital	5,978.8	7,155.2	6,405.4	6,906.7
Repair	1,296.5	1,215.4	1,296.0	1,349.8
Total Construction	7,275.3	8,370.6	7,701.4	8,256.5
Machinery & Equipment - Capital	2,808.4	3,034.0	2,947.7	3,788.5
Repair	2,104.9	2,155.0	2,099.3	2,226.6
Total Machinery & Equipment	**4,913.3**	**5,189.0**	**5,047.0**	**6,015.1**
TOTALS	**12,188.6**	**13,559.6**	**12,748.4**	**14,271.6**

Source: Statistics Canada, 61-205 and 61-206
[1]Revised Intentions

Construction expenditures peaked in 1981. Since then, the persistence of relatively weak international markets for many of the province's major resource products and significant amounts of idle industrial capacity combined to dampen investment intentions. Much of recent investment outlays has been for productivity improvements rather than additional production facilities. Tertiary sector activities (that is, trade, finance and commercial services, and institutions and government) have provided substantial support for the construction industry during this difficult period. However, the number and scale of major resource projects beginning in late 1987 and early 1988 suggest that new capital investment will reach high levels in the next several years.

Among recently completed major projects, the Northeast Coal Development stands out. Coal shipments commenced in late 1983 from two large open pit mines which opened up the province's newest production area. In addition to the mines, the project involved construction of a new community (Tumbler Ridge) complete with highway access, a 129 km rail line through the Rocky Mountains, a new coal port at Prince Rupert, CNR rail line upgrading and a new electric power transmission line to serve the mines, townsite and BCR branch line. Total cost was in the order of $2.5 billion.

Much of the province's recent construction activity was centred on closely related projects in the Greater Vancouver area. B.C. Place, an urban redevelopment scheme encompassing much of the north side of False Creek, is expected to attract $2.4 billion in residential and commercial construction over a 25 year period. Part of the site was used temporarily for a worldclass exposition (EXPO 86) in 1986 which resulted in total capital outlays of $1.5 billion. One of the biggest components is a convention centre, cruise ship facility and hotel complex that served as the Canadian Pavilion during the fair. Construction was completed in late 1985 on the Advanced Light Rapid Transit (SkyTrain) line, a $900 million commuter service between New Westminster and downtown Vancouver. Work is well underway on an extension to Surrey scheduled for completion in 1989. Other major transportation projects close to completion are the new Annacis Highway system with its bridge across the Fraser River ($485 million), and the Coquihalla Highway link to the southern Interior ($795 million). The first phases of both were finished in 1986. The balance of the Annacis Crossing project is scheduled for completion in September 1988. Phase II of the Coquihalla (Merritt-Kamloops) was finished in September 1987 and Phase III (Merritt-Peachland) should be operational by September 1990.

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